

MAINE STATE LEGISLATURE

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LEGISLATIVE RECORD

OF THE

One Hundred And Sixteenth Legislature

OF THE

State Of Maine

VOLUME II

FIRST REGULAR SESSION

House of Representatives
May 17, 1993 to July 14, 1993

Telecommunications Under the Tax Laws (H.P. 838) (L.D. 1143)

An Act to Redefine Nonprofit Status in the Sales and Use Tax Law (H.P. 885) (L.D. 1199)

An Act to Conform Maine Income Tax Laws and Rules to the Internal Revenue Code (H.P. 1081) (L.D. 1447)

An Act to Establish Economic Recovery Tax Credits (S.P. 477) (L.D. 1476)

Committee: Transportation

An Act to Clarify the Rights of Water Utilities with Respect to Water Lines Passing in or through Railroad Rights-of-way (H.P. 245) (L.D. 324)

An Act to Revise and Recodify the Maine Revised Statutes, Title 29 (S.P. 277) (L.D. 841)

An Act to Clarify the Authority of the Department of Transportation to Determine Condition of Property Prior to Acquiring (EMERGENCY) (H.P. 847) (L.D. 1152) (Governor's Bill)

Committee: Utilities

An Act to Require the Public Utilities Commission to Include Externalities in Least-cost Planning Procedures (H.P. 237) (L.D. 305)

An Act to Exempt Employees of the Public Utilities Commission from Furlough and Shutdown Days (EMERGENCY) (S.P. 119) (L.D. 357)

An Act to Allow Public Utilities to Develop Economic Development Rates (H.P. 411) (L.D. 530)

An Act to Amend the Charter of the Passamaquoddy Water District (H.P. 503) (L.D. 661)

An Act to Enhance Competition in Electric Utilities (S.P. 331) (L.D. 1007)

An Act to Cause the Renegotiation of Utility Contracts for Electric Power Generated at Private Facilities (S.P. 340) (L.D. 1037)

An Act to Deregulate Consumer-owned Electric Utilities (S.P. 362) (L.D. 1119)

An Act Pertaining to Pole Attachment Rate Disputes (H.P. 1054) (L.D. 1406)

An Act to Amend the Laws Concerning Emergency 911 (S.P. 452) (L.D. 1419)

An Act to Deregulate Consumer-owned Water Utilities (S.P. 476) (L.D. 1475)

An Act to Improve the Business Climate in the State by Making Power Available at a Lower Rate (H.P. 1095) (L.D. 1482)

An Act Regarding Cable Television (H.P. 1096) (L.D. 1483)

An Act to Identify Potential Costs of Utility

Projects to Municipalities and Corporations That Provide Services to Municipalities (S.P. 491) (L.D. 1502)

An Act to Establish Curtailable Load Retention Service (S.P. 512) (L.D. 1538)

Was read and passed and sent up for concurrence.

On motion of Representative HICHBORN of Howland, the following Order:

ORDERED, that Representative Thomas E. Poulin of Oakland be excused June 28 to June 30 for personal reasons.

Was read and passed.

At this point, the rules were suspended for the purpose of removing jackets for the remainder of today's session.

REPORTS OF COMMITTEES

Divided Report

Majority Report of the Committee on Appropriations and Financial Affairs reporting "Ought to Pass" as amended by Committee Amendment "B" (H-677) on Bill "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1994 and June 30, 1995" (EMERGENCY) (H.P. 215) (L.D. 283) (Governor's Bill)

Signed:

Senators: PEARSON of Penobscot
TITCOMB of Cumberland
FOSTER of Hancock

Representatives: HICHBORN of Howland
MICHAUD of East Millinocket
RYDELL of Brunswick
KERR of Old Orchard Beach
POULIOT of Lewiston
CHONKO of Topsham
CARROLL of Gray

Minority Report of the same Committee reporting "Ought Not to Pass" on same Bill.

Signed:

Representatives: FOSS of Yarmouth
REED of Falmouth
MacBRIDE of Presque Isle

Reports were read.

The SPEAKER: The Chair recognizes the Representative from Topsham, Representative Chonko.

Representative CHONKO: Mr. Speaker, I move that the House accept the Majority "Ought to Pass" Report.

Men and Women of the House: I want to take a few moments today to thank all of you for your participation in this very, very difficult task that we had given to us back in January. Your cooperation has been greatly appreciated by the Appropriations Committee and I want each and every one of you to know that.

We have a piece of legislation here today and it certainly is not what each and every one of us want but it is the best that we can do under the conditions and circumstances that we face. We have cut some \$900 million in this budget and we have chosen to continue just the one cent sales tax.

Back in January, I would have said that this was totally impossible and it probably would have been if we collectively had not worked so hard for so many months to make this happen. It has truly been a team effort and I hope that that team will continue and support the Majority "Ought to Pass" Report.

The SPEAKER: The Chair recognizes the Representative from Waldo, Representative Whitcomb.

Representative WHITCOMB: Mr. Speaker, Men and Women of the House: I would, at this juncture, like to offer my hand in expression of my appreciation for the hard work of the House Chair of the Committee and all the members of that committee. It has been a monumental task.

Having said that, I think it is important to explain a number of the reasons why I oppose the Committee Report that is before you. I do it in the same vein of discussion of the last budget document that was before us and some of the arguments that we used against that.

I am also reminded of some of my thoughts when I saw one of the demonstrations that was here yesterday, let me tell you why. I represent what is at times a county in competition for the poorest county in New England, also in competition nearly always for the highest unemployment in the state. Like many of you, there are many people in my district who are poor, working poor, people in my district in some instances draw their water by a bucket from the well. They are not affluent, they are hard working by and large and want an opportunity. It bothers me to have those who are advocating for more spending here excluding those in my district who work hard and believe that government should be less.

I have from time to time as I have gone home during the last winter months late at night come across individuals who are driving to work at one of the rope factories in my district. In my county, there are many of them, it is the primary employment in my district, having changed from ten years ago when they plucked feathers from chickens, now they work rope, day and night.

Occasionally when I have been stuck in a snowbank in my district, they have stopped to help me or vice versa. It has struck me that these people, young people, people with families, have to work in the middle of the night, all night to support their families. It is the best opportunity there is in that district. It bothers me greatly to hear individuals who proclaim that those people need to pay more to support this or that that the government finds necessary. I am speaking specifically against the sales tax.

Having served on the Taxation Committee with a

number of you in this body, I remember very clearly a national advocacy group for the poor crying to us that the sales tax was the worst tax for the poor, the most regressive, the one that hits those who have the fewest dollars for discretionary spending that still must buy clothing, used cars, the necessities for their family.

What we have in this document before us is a continuation of the sales tax. The vision that many of us have for government is different. I recognize that and I fully recognize that the majority in this body probably by and large envision a government larger than I am comfortable with. I feel it important to enter into this debate the concern that I, too, have for the poor, the working poor in my county, in my district and I suspect in many other districts.

It is not the desire of this Representative to let this piece of legislation proceed without expressing that kind of concern viewed from the other side of the aisle. I do not think that the document before us contains the kind of spending that that penny has included that is necessary. I recognize that people feel that they have made tough decisions to get us to this point but I cannot in conscience, myself, support this. I am speaking in opposition to the Committee Report before us.

Mr. Speaker, I request the yeas and nays.

The SPEAKER: The Chair recognizes the Representative from Auburn, Representative Dore.

Representative DORE: Mr. Speaker, Men and Women of the House: I listened intently to Representative Whitcomb's speech and I think it was very heartfelt and impassioned. He indeed did serve on the Taxation Committee with me my Freshman term. I recall lengthy discussions about the burden of the sales tax. He is correct in his assumption that the sales tax falls more heavily on low-income people. I applaud him for that position.

I think that we have a budget that has a no tax budget that did not have two-thirds. I am certainly hoping that a modest tax budget has two-thirds. That has been a difficult conclusion for me to come to.

I would ask Representative Whitcomb if he would entertain a tax in lieu of sales tax, an income tax charge on those more affluent members of our society that puts together a \$165 million? I would certainly entertain voting for his amendment and I would hope that amendment would lead him to a place where he could vote for this budget with this very modest sales tax.

I will add that although the sales tax is not my preference and the income tax has always been my preference, we have done the sales tax because of the consensus position of the House members and of members of the other body that that was the tax that they could most favorably afford to live with in terms of explaining it to their home district. Part of the rationale was that at least 25 percent of sales tax dollars comes from out-of-staters and there really isn't any other tax that we get at least 25 percent of the money from non-residents. In a time of crushing recession, it becomes important to export part of your tax.

Our neighbors to the south in New Hampshire have done a masterful job of exporting a good deal of their taxes to us and to others and I think that, although I am not happy with the sales tax and I would gladly entertain an amendment offer from Representative Whitcomb that would replace that with

a higher income tax, I will pay that higher income tax, you have got to come up with \$165 million in order to continue to balance this budget, we need two-thirds, we only have two days left. I would encourage that amendment. If that is not forthcoming, I think the rest of us ought to look at the fact that the sales tax is 25 percent exported.

The SPEAKER: The Chair recognizes the Representative from Yarmouth, Representative Foss.

Representative FOSS: Mr. Speaker, Ladies and Gentlemen of the House: I would like to join in in congratulating my colleagues both on and off the committee in both political parties for their work on this budget. It has been a long six months and I think we have worked together much better than we did two years ago. I think a good sign for the legislature is that good will continues in our committee. I think that is a good omen for the future.

However, I hope you will join me in voting against the budget that is now before you. In 1991, the six cent sales tax was enacted as a temporary measure. At that time, the legislature claimed it needed extra time over two years to allow for the study of the issues of restructuring state government and program elimination. The goal was to set priorities and phase out less essential programs so that enough resources within current revenues would be available for the higher priority expenditures like education, job development and programs designed to help those people who cannot take care of themselves.

Unfortunately, the budget before you now ignores the legislature's promise to keep the sales tax increase temporary. It not only makes it permanent but it also does not include any substantial restructuring or reform of state government nor any permanent program elimination except the possibility of one in FY '95. Once again, setting priorities was put on the back burner and we continue to have business as usual in Augusta.

Unlike the private sector which has made tough decisions in spending reductions as the boon of the 1980's ended, government assumed it is immuned from that austerity. The reality of the 1990's demands that everyone, including government, must operate more efficiently and effectively with less resources.

Many legislators pledged last Fall during their campaign that they would not extend the temporary taxes. I made that commitment to my constituents because I believed then and I believe now that state government can and should live within its means. I intend to keep that promise and not vote to extend the temporary sales tax increase.

Those of us who were committed to reducing state spending to a level without the temporary taxes presented to you a budget that met our goal. It was a fair, responsible, balanced budget that protected the most vulnerable, made education a priority and included restructuring and the elimination of several programs. It is interesting to note that during the floor debate on our minority budget, there was criticism of one reduction or another, but no alternative cuts were ever proposed. The majority wanted more taxes and more spending without really giving serious consideration to our effort. They rejected our proposal on a party line vote, not one member from the other side of the aisle voted for that budget and they went back to work spending as much new tax revenue as they felt the public would

accept.

Unfortunately, because it appeared that they could get enough votes to raise taxes, the majority of my committee even reversed themselves on some prior spending reductions and voted to restore dollars to various programs. The majority budget package that emerged after days of negotiations simply includes more spending on various programs with little regard for the taxpayer for the economic future of our state.

I believe strongly that when government increases taxes, it takes dollars out of the private sector where they can be used to create jobs and help small businesses grow. Instead of allowing for that investment and growth to occur, the money is used to support state programs that have varying degrees of value. A healthy economy and good jobs for Maine people should be the most most important focus of this legislature. Instead, there is a preoccupation with finding new revenues to sustain state spending and state bureaucracies. I believe that the \$165 million should be left in the private sector for job expansion.

There was a recent article in the Portland Press Herald on the potential elimination of four state agencies or programs which would have saved taxpayers about \$20 million. In the final vote of the Appropriations Committee, all four agencies have been continued. Some, in fact, had been eliminated by earlier majority votes in committee, but their supporters launched full-scale lobbying efforts for their continuation and their lobbying was successful in the end because more tax dollars were made available for spending.

The only people not represented by lobbyists in Augusta are the hard working Maine people who are too busy going to their jobs and taking care of their families. I believe that their voices should be heard. Maine people do want government to reduce its spending and live within its means, set priorities and eliminate programs no longer essential. That is how everyday people live their lives, they figure out how much money they have to spend, determine what the top priorities they have for expenditures and reject those lower priority purchases for which they do not have the money. It is unfair for government to assume it lives by another standard.

Government can no longer determine what it wants to spend first and then figure out to raise enough taxes to accommodate that spending. We all know that philosophy has led the federal government into fiscal chaos and I believe that it threatens economic growth and prosperity in Maine. If we do not control the growth of government spending and the tax burden on our people, Maine will be relegated to a position of having a reputation as a beautiful place to live but a very difficult place to find a job.

The most important goal for this legislature, I believe, should be a focus on how to create jobs for our people. We compete against our neighbors when we ask businesses to bring their jobs to our state or to keep their jobs here. It is important to note that other New England states, right now, are not raising their taxes with the exception of Rhode Island which is considering a gas tax increase. As you know, this body is considering the same. In fact as of this Thursday, Vermont is repealing the temporary taxes it passed in 1991, two years ago. On Thursday, their sales tax rate will go from five to four cents per dollar as promised to their people and the income tax

and meals and lodging tax passed as temporary taxes will also be lowered. Their commissioner of finances is quoted as saying, "We have the same scenario as Maine a few years ago, there was some haranguing but since then lawmakers took on a fiscal recovery plan to curtail spending." They have reduced spending. Vermont has flatfunded every department in state government except corrections for four years and that state is now spending at 1990-91 levels and Vermont is competing with us for jobs. Maine should and could be able to do what Vermont lawmakers have achieved, keep our promises and make the necessary structural changes in spending. I believe it is still possible and I hope you will vote with me against this budget.

The SPEAKER: The Chair recognizes the Representative from Fairfield, Representative Gwadosky.

Representative GWADOSKY: Mr. Speaker, Men and Women of the House: We have before us the biennial state budget document, the budget that will fund necessary state services hopefully for the next two years. We know from past experiences that sometimes when we debate these budgets that they come back in less than two years and we get to revisit some of our decisions and that may or may not be the case but we have that document in front of us. I referenced last week that the budget document is inherently a political document, a document that reflects the values and priorities of Democrats and Republicans as we attempt to craft a consensus from some very divergent viewpoints that exist within our own constituencies throughout state government.

In this budget, in my mind, reflects the economic and fiscal reality that we are confronted with. We know that, even if we were to pass this budget within the next five minutes, that there are going to be services eliminated, people are going to be hurt, there are going to be some very serious pain that is going to be caused even from passing this budget. But, we also know that we need to pass a budget and that we have gone through a process unlike any process that we have seen before in this state where we have committees involved from day one. We have had contingency groups that have been monitoring the process who have been extremely helpful in framing the issues, providing additional assistance, providing priorities to Appropriations from a conservative viewpoint or a not so conservative viewpoint that has all aided to create a final product. It is not perfect by any stretch of the imagination.

Representative Carroll was quoted as saying in the paper, "Everybody gave a lot, and everybody got a little." To some extent, I think that is reflective of the realities when you attempt to put together a budget process.

There has been some discussion about the issue of sales tax and whether it was appropriate that we be considering the sales tax again. I commend Representative Foss for her comments because I think that she remains true to her belief in a state government and in the type of services that we need to provide to our citizens. I think we may have an honest disagreement in fact in terms of the level of services she and I or others may agree are necessary to provide to our citizens back home. It is an honest and a clean disagreement. I think there is no problem with that.

The initial budget that we were presented with

earlier this year by the Administration counted on a variety of things that avoided us to the necessity for us to look at the issue of sales tax or any other taxes, temporary taxes. Once again, we weren't talking about raising taxes, we were talking about philosophically, do we want to maintain the existing revenue base of revenues or not? Or, do we want to do something other than that?

The original budget that was presented by the Governor included about \$100 million worth of savings that were to be generated from waivers. There were waivers for nursing homes in the amount of some \$41 million, there were other waivers for nursing homes in the amount of \$54 million. There were cuts that were determined through the committees of jurisdiction that were found to be in violation of Consent Decrees. There are some who would argue that we are still in violation of Consent Decrees and they may be right, but there are at least \$100 million worth of cuts that were found to be unconstitutional or that required waivers that did not exist and required us to look for another source of revenues, another source of savings.

Later on in the span of the last two or three weeks, we were presented with another alternative to help balance the budget and it counted on finding savings of some \$250 million from the state retirement system. Perhaps the most unconscionable to many was the reamortization that is now currently in this bill.

Another part of that that was objectionable to many dealt with changing to an accrued method of computing retirement costs. It is something that affected every state employee, something that would have affected every teacher in this state and would have had a devastating effect on pensions and retirement of hard working people who do their job everyday on behalf of you and I and on behalf of our constituents. We rejected that. That was \$130 million worth of savings from that.

So, logically when you make those types of policy decisions and many D's and R's decide that things like General Purpose Aid to Education is an important priority, we have to understand that something like that costs \$515 million a year, that chews up a lot of your budget. Over a biennium, it is a billion dollars. This budget makes a strong commitment even though it is not as much as the projected cost for GPA, it makes a strong commitment in that we level funded GPA.

We did the best we could for General Assistance. We funded higher education. We did something even more important — my concern last week was that the nature of the bill before us did nothing to change the framework for creating jobs in this state. It did very little to change that framework because it didn't make investment of state dollars.

In this budget is probably what I would call the most significant pieces of economic development initiatives that we have seen in the last five years in this legislature, proposed by Democrats or Republicans.

In the short-term, there are reskilling programs to be sure that people get the necessary skills they need to get at technical colleges.

There is the economic loan recovery program from the Finance Authority of Maine that was passed by Maine people, a bond issue that provides revolving fund loans that are going to help your businesses and mine.

There is a contingency job training account so that the Governor will have the opportunity to work with Pratt-Whitney's and other important businesses in this state to maintain their existence.

There is money for the Loring Development Authority to ensure that they will be able to have the beginning of necessary money to match with federal funds to turn that area around.

In the long-term, we have the youth apprenticeship program, we put over a million dollars into an important youth apprenticeship program, a tie-in between our high schools and our technical colleges.

There is a Science and Technology Commission, a commission that still many people don't understand but a commission that is leading us into the 21st Century with jobs and important areas of innovation and important programs.

The Economic Growth Council that will take a long-term look at this state, develop a long-term strategy, creating bench marks like they have done in Oregon.

An office of Defense Conversion to help us with invariably what we know we are going to be dealing with over the next five years, a realignment in the type of jobs that we create.

There are things for export trade.

There are monies for centralized permitting, something that many people are concerned about with one-stop shopping.

There is \$6 million for tourism. There is a tremendous economic development package in this bill that is going to help us generate the revenues to create and pay for the programs so many of us want to pay for.

There will be amendments offered today, good amendments, important amendments offered today and we will engage on a long day of discussions as to what is appropriate, what is inappropriate. The reality is that when we are done with this budget, whenever that is, that we will probably in the span of the next 12 months have another budget, a supplemental budget, and we will have to go back and do those areas that we haven't been able to appropriately fund. We may find in the area of corrections that there are going to be some problems. We may find in mental health that there's certainly going to be some problems. We may find some other areas, but this is a good start. It is a two year budget, it moves us in that direction.

My suggestion is in order to get this process started that we adopt the report offered by the good Representative from Topsham, Representative Chonko and begin the consideration of the various amendments that will be offered as people attempt to reflect their priorities and their will on this important document.

I would urge you to support the Majority "Ought to Pass" Report.

The SPEAKER: The Chair recognizes the Representative from Berwick, Representative Murphy.

Representative MURPHY: Mr. Speaker, Men and Women of the House: I rise today in support of this budget. It is not a budget maybe that I am awfully happy with but it is a budget that I can certainly support. It is a compromise and there are things in it that all of us like and all of us don't like.

I personally was not happy with the sales tax, coming from where I live, but when I sat down and gave it some thought I thought, well, I can't support

a cut in education because that is going back onto our property tax, I certainly can't support a cut in General Assistance because that too is going back on property tax.

Then, I had to agree with the good Representative from Auburn, Representative Dore, when she said 25 percent of our sales tax comes from out of state, and it does.

I think that in this budget we have got money for tourism and I think that is going to bring more sales tax in, so that is going to be an increase.

I am one who did not take the pledge. I do not sign yes and no questions because I don't believe this is a question to do with state government that you can say yes I will support or no I won't back in July or August or whenever you people take these pledges. I have never returned any of them and I certainly am not going to start today. So, I didn't have to worry about any pledge as to what I would do.

I was one of a few who stood here two years ago and supported the temporary taxes. It was one of the greatest tax increases in the history of the State of Maine and I stood up here and supported it. A good part of my caucus at that time did not vote for it. I certainly don't think it has hurt me any.

I am happy today that we are not going to keep all the taxes that we put on two years ago and I feel as though we have cut \$100 million from the temporary taxes.

The sales tax, in my estimation, is the easiest way to get \$165 million. It is the responsible way to get it.

I think here today that those of us who have been here a while have to got stop and think back what went on here two years ago. I, for one, do not want a repeat of that, I don't think it gained anything, I don't think it gained anything for the state or anything to either party. So today, I am going to vote in the best interest of the State of Maine that in my opinion is the best thing for the State of Maine and that is I am going to support this budget.

I do realize that my leadership and part of my caucus may not be happy but I hope that the majority of my caucus goes along with me and votes this budget in so that the people of the State of Maine, come July 1st, will have a budget for next year. There will be things in it that we won't like, things in it that they won't like, but I still believe this is the responsible thing.

I served on that Economic Growth Council and I think many good things came out of it. I think that in the next few years, you will see some of those adopted.

I personally wanted the sales tax increase tied to an economic recovery. It is tied to an economic recovery but it is not economic recovery that I really preferred. I suggested that when we got to an 8 percent increase in revenues that it drop back to five percent of one-half of the one cent sales tax. Then as we went on and got more, we drop the whole one cent sales tax.

In the Taxation Committee, Senator Baldacci came out with the idea that instead of doing it that way that we put the money and do away with personal property tax for industry and businesses in the State of Maine. I said, "Senator, that is better than my idea, I will go with it." In fact, I wondered why I didn't think of it because it is such a good idea but I didn't. I will have to give him responsibility. So, we did, but it didn't fly, the leadership and the

Governor's office and Administration did not want to tie it to that so now it is tied to the Rainy Day Fund. I am supporting it, I don't have a problem with that either, although I still would have preferred it would have done that because I believe one of the things that is against industry in this state is the personal property tax. I would like to have that money to make the towns whole and have it phased out over a number of years. Therefore, I did not get all I wanted and there are probably a few other things as I look through here that I am not happy with.

There is going to be another bill out of Taxation that is going to come up here, I am not supporting that because I have made a promise that I will support the one cent sales tax and I will support the package as it is. I also will be voting against all amendments, not because I don't agree with some and I certainly do agree to a certain extent with the bill coming out of the Taxation, but I cannot support a tax increase at this time.

I would urge each and every one of us to stop and look at our conscience and think of what we are doing to the State of Maine and to the people in this state if we allow state government to shut down again. I, for one, will not vote to do that. I am voting for this package 100 percent as it is with the one cent sales tax. I urge the members of my caucus to follow my light.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The Chair recognizes the Representative from Presque Isle, Representative MacBride.

Representative MACBRIDE: Mr. Speaker, Ladies and Gentlemen of the House: We have had much discussion in the last few days, really in the last few weeks, about the budget, what it contains and what it does not contain. It seems to me that the important issue for us is what the people of the State of Maine want. I do mean the people, I don't mean legislators, I don't mean the bureaucracy or I don't mean the officials who are drawing a paycheck, I mean the people who are hard at work out there trying to earn a living or trying to find a job.

I think we need to think what will improve Maine's economy and provide jobs for the people of Maine.

In the last year, we have been advised by the people to cut spending, restructure state government, repeal the taxes, that has been in all the newspapers and I think as we campaigned last Fall, we all heard those words.

My area has an unemployment rate that fluctuates between 13 and 14 percent. That rate will increase considerably in the next year as Loring Air Force Base closes and many jobs are eliminated. Throughout the state, we are having a high unemployment rate. Business has been leaving, closing or downsizing. The outlook for our business climate to attract new businesses or to expand the ones we have and provide jobs is not improving.

You have heard from a previous speaker what the

New England States are doing, they are our competitors, they are trying to attract business and attract jobs and to make their business climate more attractive by decreasing taxes. Perhaps some of you have read about South Dakota, an article recently appeared that that state was having a very difficult time, businesses had left, their unemployment rate was high, they had few jobs available for people and they didn't know exactly what they were going to do. They finally decided to take the situation in hand, cut taxes and provide some incentive to businesses so that they would attempt to locate there. They did that, their legislature decreased their taxes, they did provide the incentive and today South Dakota's economy has turned around. They have expanded new businesses, expanded the ones they have and they have one of the best business climates today in their area, businesses are coming in and looking at them and deciding they want to settle there. That is what I feel that we should be doing in Maine today.

We have had two biennial budgets, both of which were about \$3 billion dollar budgets, both of which came to us with a billion dollar shortfall. That meant that we had proposed current spending of about one-third of that amount of the budget. I just have to ask you, if we keep on spending and when the next biennial budget comes along, are we still going to have another billion dollar shortfall and are we going to fill that with taxes?

Last time the taxes were temporary. This budget makes those taxes permanent, so when the next billion dollar shortfall appears in two years, are we going to add another penny to the sales tax to make up for the spending that we have?

There have been some editorials in the newspapers throughout the year, there have been many, many editorials telling us what to do to cut expenses. I would just like to read to you a couple of editorials that appeared in the newspapers since we passed out our budget on early Saturday morning.

This one comes from the last Maine Sunday Telegram. It said, "We urge that legislators spend time today listening to their constituents. It won't take long for Mainers priorities to become clear. Above everything else, Mainers want a state government providing essential services that is capable of living within its means. Nearly \$300 million in taxes sold to voters of this state as temporary should expire as scheduled on Wednesday. Mainers expect it." It continues, "Lawmakers have to recognize the basic problem, the legislature has created a government that Maine can no longer afford."

The other one comes from the weekend edition of the Bangor Daily News right after the budget had been passed early that morning. It says, "State Representatives and Senators have left themselves little time and few choices but there still is opportunity to tighten this package of higher taxes and shift in fiscal responsibility to municipalities. Even as they put their fingers on the voting button, legislators have an obligation to share disappointment with the public on the budget, Maine should have done better, much better."

I agree, ladies and gentlemen, that Maine should be doing much better.

The SPEAKER: The Chair recognizes the Representative from Buxton, Representative Libby.

Representative LIBBY: Mr. Speaker, Men and Women of the House: Never have I seen so many people pat themselves on the back for a job so well done when in

fact the job has not been done at all. This budget before us does not reinvent government as was the topic of a seminar in which many of us attended at the beginning of this year.

It does not modify and reshape government, leading to less government and less interference in Mainers' lives. Instead, it is an attempt to satisfy all sides by keeping everybody's programs intact or presenting us with many more gimmicks.

There are millions of dollars in wasteful spending in this budget. I, myself, have attempted to identify some of them and I know you have, and forward this wasteful program spending to some members of the Appropriations Committee and your leadership.

Instead of reshaping government, this budget attempts to reach a balance by putting the burden squarely on the shoulders of taxpayers, teachers, state workers and budding students. I can't vote for higher tourism spending while cutting retirement and education and raising taxes — what kind of a mix is that?

Many of us in the 107 group took an oath that we would live within our means, we would identify proper areas to cut and work with the Appropriations Committee to accomplish our goals, we would meet the general responsibilities to the state while downsizing our own sprawl. In my opinion, only my opinion, we just have not done this. Many efforts to privatize and downsize have fallen by the wayside on the road to retaining a bloated budget in some areas and an anemic budget in others.

I did not expect that as a Freshman legislator I would be totally happy with this year's budget but I had no idea that the process of constructing a budget would be so poorly conceived and carried out. I intend to do my part next year in introducing new ideas and new legislation that will attempt to improve this antiquated process and I hope that you will join me in doing just that. We must phase out the power of small interest groups and bureaucrats and even top government officials in this process and we must do it soon. Maine people are growing impatient and Maine people will not be put off forever. I hope you will join me in voting no on this year's budget.

The SPEAKER: The Chair recognizes the Representative from Augusta, Representative Lipman.

Representative LIPMAN: Mr. Speaker, Ladies and Gentlemen of the House: What I view that we have is competing harms. It is now June 29th and the budget expires (that we are under now) July 1st. I, too, do not want an extension of the one cent sales tax. But, I too, do not want to see a state shutdown. I was one two years ago. I saw the liquor stores closed for two days. I saw the parks closed. I saw the beaches without lifeguards. I saw what it did to our tourist business. I recognize that I don't like many things in this budget and perhaps if I could craft a budget, it would be different, just like many of my colleagues and many members of the minority party. However, we have here a compromise, we have here give and take on both sides. What we really have to weigh is, do we want the alternative? There are those here who say the alternative is that we will have emergency powers and we may be able to keep the state running under the emergency powers. Are we willing to run the risk or shoot the dice with the tourism business at its greatest peak at this time of a shutdown or a temporary shutdown or even the threat

in the headlines in the newspapers that the State of Maine may be shut down?

Good government dictates that we must have a budget. It is unfortunate that we wait until June 29, 1993 to say whether or not we are going to have a budget or tomorrow June 30th. However, we have also got the towns, the school districts, and the SAD's and the school boards, they can't even send out their bills because they don't know what their taxes are going to be.

We have the state employees who are supposed to be paid on June 23rd and, as you heard from Representative Gwadosky, that haven't been paid and their checks are going to start bouncing.

We have the tourism business, and in York County, their concern was, don't do anything to upset the flow of people in here. If we have a shutdown or the threat of a shutdown this weekend, we are going to hurt the State of Maine.

I don't see any alternative and I think we have a competing harm perhaps, but to me, what we have to do is get a budget and allow the state to go forward. Unfortunately or fortunately, the best budget we have right now is the one that is before you and I urge you to vote for it.

The SPEAKER: The Chair recognizes the Representative from Gray, Representative Carroll.

Representative CARROLL: Mr. Speaker, Men and Women of the House: The process works. The new process that involved all of us in the budget, worked. You all brought your cuts to us. We had the original budget that had no money for General Assistance, that had no money for AFDC, that had no money for Economic Development, that had deep cuts in higher education and General Purpose Aid and we heard all of you saying, we need to look at this a little differently.

You brought to us major policy committee's significant changes in the process and significant changes in the budget. For those who were not here in the last biennium, let me remind you we are on the second billion dollar reduction. From June of 1989, we cut state government from projected revenues by over \$900 million. With all of our help, we made another \$900 million reduction in state government. We tried to keep the pledge to the people of the State of Maine that the temporary taxes in fact would be temporary. \$90 million of those taxes in fact will sunset.

For those who think there is no restructuring and we haven't tried to reinvent government, let me take exception. Plans to make changes in the State Planning Office that came from the State and Local Government Committee died in the waning hours of negotiations. Changes in the Maine Drug Enforcement Agency were unacceptable. Changes in the internal services funds trying to get a handle on those were unacceptable and rejected by a majority of both parties. However, we have in this budget and in this legislature done significant changes to state government to restructure. Long-term care has been restructured majorly. Reliance on nursing homes from now and into the future will be less to have significant savings in state budgets. All drug treatment education and services will be under one roof as was proposed a number of years ago. That is in this budget document and for the first time, we have finally made that consolidation work.

The Maine Health Program, long been a thorn in some people's side, now is going to be privatized.

That process will begin through this budget document.

The Maine Health Care Finance Commission begins to phase itself down in this biennial budget.

Mental Retardation begins to close, much to my distain and dislike, Pineland Center, in this budget.

The Department of Education restructured itself in this biennial budget.

A bill signed by the Governor to reorganize the Department of Human Services and the Department of Mental Health and Mental Reorganization will become law, a major change in the functions and structure of state government.

There has been substantial welfare reform for the first time since I have been here that I can remember that will change the whole face of welfare, passed by this legislature nearly unanimously.

Support enforcement in the collection of money from absent parents gets a major boost and a major structural change in this biennial budget. There is a commitment, once and for all, to get down and dirty to look at the retirement system and a study to come back with major changes (if necessary) to make that system whole. That is all in this biennial budget and passed by this legislature.

We have come a long way from a billion dollar problem to get where we are today. I would urge you all to think about what we have done together through the last six months to restructure state government, to maintain the commitment to the people of the State of Maine and to cut government by over \$900 million and urge you to support the Majority Report.

The SPEAKER: The Chair recognizes the Representative from Norway, Representative Bennett.

Representative BENNETT: Mr. Speaker, Friends and Colleagues of the House: While I find the tax increase that is encompassed in this bill bothersome, it is not that which bothers me most about this budget document. What bothers me most is that we, the government, have reached a low point in the estimation of the people. If we do not arrest the steady slide of government and politics down the slope of public opinion, we will be hurting this state far more than a few budget cuts or a few tax increases could inflict.

It wasn't the fact that he bought into a tax increase that lost George Bush last November's election, it was rather that President Bush had pledged no new taxes, it was a broken promise, the lost trust, that is what brought Mr. Bush down. Above all, people want honesty from their government. How can we ask the people to keep their faith when we cannot keep our word.

Two years ago, this legislature passed a set of temporary taxes. I did not support those increases. But, as a member of this institution, I pledged to vote to keep them temporary, that notwithstanding the fact that I was unopposed in the last election. I will stand by that promise.

I have heard today in caucus and elsewhere that we should not tilt at windmills, that we should be practical rather than stand on principles, but I would submit that principle is exactly what people are looking for in their government, looking for, but too often not finding.

First and foremost, we should be honest in our rhetoric. I was disturbed greatly to hear the Governor say that he was pleased to see a reduction in taxes as part of this budget. I know what he meant, but let's be forthright. This budget includes a 20 percent increase in the sales tax over current

state law. I have also heard the suggestion today that this budget may represent a \$1.8 billion decrease in these four years, this budget biennium and the last budget biennium, in state spending. Well, that may be true to what the departments request and I don't know what the real figures are but I would venture to say that there is a modest actual increase in total General Fund spending.

This year I was pleased to serve on the State and Local Government Committee. I am a firm believer in leadership by example. This budget turns back a unanimous State and Local Government Committee agreement on restructuring the State Planning Office and it also restores \$2.9 million in spending cuts to the legislative budget. The offices of the legislature and the governor, in my opinion, should be first on the docket in real spending cuts and in governmental restructuring.

I am reminded of the words of John F. Kennedy in 1960 when accepting the Presidential nomination from the Democratic party, he said that "Courage, not complacency is our need today; leadership, not salesmanship." Let's restore the faith, restore the trust and go back to the campaign promises that many of us made and reject this 20 percent increase in the sales tax.

The SPEAKER: The Chair recognizes the Representative from Raymond, Representative Bruno.

Representative BRUNO: Mr. Speaker, Men and Women of the House: In 1991, we were in a recession. Today we still haven't emerged from that recession. We have seen entitlement spending go up, not because we are being more generous with our entitlement programs, but because there are more people who need these programs to keep going now. Our unemployment rate is up over 8 percent.

What is a way that we can improve business in this state in order to get these people back to work? Probably not what is in this budget.

I am going to support this budget even though I don't agree that there is economic development in the budget. We have sent a positive message for businesses in this state. This budget eliminates the income tax surcharge for people, the corporate tax surcharge on corporations. I ran against new taxes but here I am now asking you to support the one cent sales tax.

I can go back to my people and say I voted for this tax because it was the right thing to do, it was the common sense thing to do. I will not turn my back on the poor people in this state in order to have a zero based budget. My constituents sent me here, not what my principles are as a Republican, but having the faith in me to have the common sense to do what is right for the State of Maine.

I am extending my hand in compromise with this budget. I don't agree fully with this budget at all. I think there could have been more cuts made. I didn't get everything I wanted. I know a lot of other people didn't get what they wanted. But, I extend my hand in compromise right now to support this budget just the way it is. I agree with Representative Murphy of Berwick that I will not support any amendments to this budget. I ask that you all do the same.

The SPEAKER: The Chair recognizes the Representative from Limestone, Representative Young.

Representative YOUNG: Mr. Speaker, Ladies and Gentlemen of the House: I must admit that I have been somewhat overcome by what teachers of rhetoric

in logic like to call a dilemma. That is a big term for the problem of not being able to make up your mind or when you see two competing, but mutually, unappealing alternatives.

I have come to the conclusion after confronting this dilemma that I am going to support the recommendation of the majority and vote "Ought to Pass" on this budget.

Before I explain to you why, I would like to take just a moment and recognize the extraordinary hard work and effort which has been invested in this budget by all of the members of the Appropriations Committee and I would like to especially acknowledge the contribution of my three House Republican colleagues on that committee — your firm and steady defense of our caucus desire to see the temporary taxes sunset has brought us to a place that many of us, and I for one, never would have imagined possible six months ago. We are today on the verge of actually reducing the next level of taxation on the people of this state.

I want to explain to all of you why it is that I am going to support this motion. I am sure that you will all agree that there is much here to complain about, such an assessment is not surprising given the fact that most of the time we each tend to view the good of the state from some one of our many diverse viewpoints. Indeed, it is the diversity of our standpoints that makes for the rich texture of this body and to the positive virtue of democracy. But, at the same time, this diversity and the normal competition among our viewpoints makes it difficult for us to approach and deal with a document which has as many implications as this one has. As a teacher of philosophy, I felt for a long time that this conflict has its roots in the very history of our political culture. I would like to take just a moment and read to you from an historical source what Plato had to say on this problem, speaking on a problem very similar to solving a state budget. This is from Plato's Republic, Book 5, something new for this place, huh? A change of pace. Plato here, through his character Socrates, is asking, "What is the best kind of state and what is the best way to solve a problem on state budgets?" He says, "There is not the logical first step toward such an agreement to ask ourselves what we could name as the greatest good for the Constitution of a state and the proper aim of a lawgiver in his legislation. And, what would be the greatest evil? And then to consider whether the proposals we have just set forth fit into the footprints of the good and do not suit those of the evil." Then he goes on to add, "Do we know of any greater evil for a state than the thing that distracts it and makes it many instead of one or a greater good than that which binds it together and makes it one?"

Were my great friend here to participate in this debate, he would no doubt remark on the fact that while there are at least 151 valid reasons to vote against this budget, there is nevertheless one good reason to vote for it and that is for the sake of this whole state, taken not as a collection of competing and antithetical interests but as a single unity. I honestly believe that we can hope for no better a compromise than what we see before us today. While this may not be the budget that any one of us might have wanted to see, I believe it is the only one that that we can pass without significant partisan belligerency and a possible protracted and

devitalizing shutdown of this state. Neither of these will do anything to move the state forward.

As a matter of fact, the net result will be a further reduction in our public credibility and in the end, I don't think we will end up with a budget that is far different from the one that is before us today.

Finally, I would just like to say something in the way of postmortem about this business of restructuring. There are some who have said that we have failed to restructure and if that is true, I think the reason may be that we don't have a good grip on what restructuring means. It seems to me what we should have been doing here, and I include myself in this criticism, is searching as energetically and creatively as we could for ways to make government more effective, not just more efficient, but more effective. An effective government is one that recognizes the competing claims of those who cannot care for themselves and so have no alternative but to turn to the state and those who are overburdened by excessive taxation. The key to resolving this riddle is neither of the two simpleminded alternatives we are often asked to face. The challenge is not one of doing more with more in an endless cycle of ever increasing taxation nor is it merely one of doing less with less by throwing overboard the good and bad programs alike in an effort to keep the state afloat. No, the challenge of the 1990's will be to do more with less. This budget doesn't fully achieve that aim but it is a beginning. I hope you will vote with me in support of it.

The SPEAKER: The Chair recognizes the Representative from Rumford, Representative Cameron.

Representative CAMERON: Mr. Speaker, Ladies and Gentlemen of the House: I don't mean to throw stones at the people who were here two years ago when I was not but I think one of the mistakes that was made at that time was ever instituting temporary taxes. At the time, we needed to face that — at that time or this time, I think we need to face up to what the issues are. The word temporary, I think, was the beginning of all of or a lot of our problems here. Unfortunately, that word has been tagged to these taxes and, therefore, we have a dilemma.

I learned one thing and I hope if I ever campaign to come here again that I won't make the same mistake. When different organizations sent us surveys, I felt it my responsibility to respond to them. I will never do that again. The reason I will never do that again is because they, in my opinion now, were put out for one purpose and that is to be used against you.

As came out in the Portland Press Herald a couple of weeks ago, I said that I was opposed to continuing the temporary taxes. That was true then, it is true now, I don't want to continue them. Unfortunately, the reality is that I have not seen the road to an alternative. I believe there are alternatives. I believe that this state government is full of fat at every level throughout this organization. I beg to differ with my colleague Representative Gwadosky, I think the process for this budget is seriously flawed.

I learned another thing when I came down here that this state actually runs on \$7.2 billion (with a "B") dollars. We have legislative oversight on \$3 billion, less than half of the money that runs this state does this legislature have anything to do with. We get blamed for most of it and that is okay,

I have got broad shoulders as well as broad other things and I can deal with that but, to me, that is one of the biggest flaws of this whole process, that we cannot as a legislature be at the Appropriations Committee or any other committee, get at in excess of \$4 billion of spending that the bureaucracy is free to do as they please.

I spent some time in the Appropriations Committee sitting and listening to the testimony and I wouldn't swap that job to be on the Appropriations Committee for any other committee that I may presently be on. The reason I wouldn't is because I sat there and listened to people testify, person after person after person was leading that group down the primrose lane, I thought. There was no honesty, there was a cover your own job attitude, protect your own turf. I don't have a better solution but I cannot in good conscience agree that the process that we went through was a good one because this is not a good budget. I will support it because I will not participate in shutting down state government for a number of the reasons that you have already heard here on the floor and for others that I could list but it is not necessary. I just will not participate in shutting down state government.

Yes, we have reduced the tax level from what it was in the previous biennium by letting the taxes expire but for anybody to say that is a tax cut is misleading. We can't cut taxes until we get back to the level that they were at when these "temporary" taxes were put into existence. We can't in good conscience stand up here and tell the public that we have cut spending \$1.8 billion when this budget expends more money than the last biennium did. Yes, we have cut from the requests, that is not true spending. Any of you that are in business or have to run your own checkbook know that that is not cutting spending.

I am encouraged by the level of cooperation between the two sides and that is one of the reasons that I will support this, looking to the future, hoping that we can continue to work together and find other ways to restructure government. I will, as I have heard many people refer to the budget two years ago, I will vote for this budget but I will have to hold my nose with my left hand to do it. It will be rather uncomfortable otherwise, but I will do it. I will support the budget but I cannot go home in good conscience and tell anybody that we cut spending of state government because it simply did not happen.

The SPEAKER: A roll call has been ordered. The pending question before the House is the motion of Representative Chonko of Topsham that the House accept the Majority "Ought to Pass" Report. Those in favor will vote yes; those opposed will vote no.

The Chair would ask the Representative from Old Town, Representative Coffman, how he wishes to be recorded? The Chair cannot announce the vote until he records his vote. The Chair has no choice in the matter.

The House is in order.

The Chair would ask the Sergeant-at-Arms to escort the Representative from Old Town, Representative Coffman, out of the room.

The House will be at ease and will the members kindly clear the chamber?

(At Ease)

The House was called to order by the Speaker.

The SPEAKER: A roll call is still in effect. The Chair is going to reopen that vote so the members who have not voted can vote.

All members kindly take their seats. The Sergeant-at-Arms will secure the House.

The Chair will reopen the vote. For those members who have not voted, please cast your vote.

Have all voted? The Chair will close the vote.

ROLL CALL NO. 212

YEA - Adams, Brennan, Bruno, Cameron, Campbell, Carleton, Caron, Carroll, Cashman, Cathcart, Chonko, Clement, Cloutier, Coles, Constantine, Cote, Cross, Daggett, DiPietro, Dore, Driscoll, Dutremble, L.; Erwin, Faircloth, Farnum, Fitzpatrick, Gamache, Gean, Gwadosky, Hale, Hichborn, Høglund, Jacques, Johnson, Joseph, Kerr, Kontos, Larrivee, Lipman, Lord, Marsh, Melendy, Michaud, Mitchell, E.; Mitchell, J.; Morrison, Murphy, O'Gara, Oliver, Paradis, P.; Pendleton, Pfeiffer, Pineau, Pinette, Plourde, Pouliot, Reed, W.; Ricker, Rowe, Ruhlin, Rydell, Simonds, Skoglund, Spear, Stevens, K.; Strout, Swazey, Tardy, Townsend, E.; Townsend, G.; True, Tufts, Vigue, Walker, Wentworth, Young, The Speaker.

NAY - Ahearne, Aikman, Aliberti, Anderson, Ault, Bailey, R.; Barth, Beam, Bennett, Birney, Bowers, Carr, Clark, Clukey, Dexter, Donnelly, Farnsworth, Farren, Foss, Gould, R. A.; Gray, Greenlaw, Hatch, Heeschen, Heino, Hillock, Holt, Hussey, Jalbert, Joy, Ketterer, Kilkelly, Kneeland, Kutasi, Lemke, Lemont, Libby Jack, Libby James, Lindahl, Look, MacBride, Marshall, Martin, H.; Michael, Nash, Nickerson, Norton, Ott, Pendexter, Plowman, Rand, Reed, G.; Richardson, Robichaud, Rotondi, Saxl, Simoneau, Small, Stevens, A.; Sullivan, Taylor, Thompson, Townsend, L.; Tracy, Treat, Whitcomb, Winn, Zirkilnton.

ABSENT - Bailey, H.; Chase, Coffman, Nadeau, Poulin, Saint Onge.

Yes, 77; No, 68; Absent, 6; Paired, 0; Excused, 0.

77 having voted in the affirmative and 68 in the negative with 6 being absent, the Majority "Ought to Pass" Report was accepted, the bill read once.

The SPEAKER: The Record will show that Representative Coffman has not voted and, therefore, is in violation of the rules. The matter will be referred to the Rules and Business of the House. The process will continue tonight, we will continue to deal with the budget and all pending amendments. Pursuant to House Rule 18, the Representative from Old Town, Representative Coffman, under unanimous consent unless denied at this time, will not be allowed to speak or vote until he has apologized to the members of this House. If there should be any outbursts or any disruption of the proceedings, it is the intention of the Chair to present an Order for expulsion of sufficient duration in order for the budget process to be completed. That way we will be able to deal with the state's budget before the necessary time elapses.

Committee Amendment "B" (H-677) was read by the

Assistant Clerk.

Representative Lord of Waterboro offered House Amendment "A" (H-680) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "A" (H-680) to Committee Amendment "B" (H-677) was read by the Assistant Clerk.

The SPEAKER: The Chair recognizes the Representative from Waterboro, Representative Lord.

Representative LORD: Mr. Speaker, My Learned Colleagues: This amendment abolishes the Maine Waste Management Agency. The Maine Waste Management Agency Fund will become the Maine Environmental Resource Fund. All monies previously going to the Maine Waste Management Fund will go to the Maine Environmental Resources Fund to be used by the Department of Economic and Community Development for municipal waste recycling assistant grants by the Department of Environmental Protection for solid waste programs and by the Bureau of Parks and Recreation in the Department of Conservation for capital improvements of state parks. Certain provisions of the law were amended to accommodate and repeal the agencies included in the transfer of the number of agencies responsibility to the Board of Environmental Protection. Environmental Protection will retain 21 positions in the Bureau of Hazardous Material and Solid Waste Management that was previously funded under the Solid Waste Management Fund. Municipality recycling grant program is retained and transferred to the Department of Economic and Community Development and the department is designated as a successor to the Maine Waste Management Agency for the purpose of administrating all municipal recycling and assistant grants authorized by bonds issued pursuant to Private and Special Law 1991, Chapter 118.

If you remember folks, if my memory serves me correctly, in the nine years that I have been here, this is the first amendment I have ever put forth. If I didn't feel as strongly as I do, I wouldn't be doing it this time. However, when the Republican budget was presented, I noticed that this Waste Management Agency was taken out of the budget and I believe that what was voted on in the committee was ten to two to remove it out of the budget. However, when it showed up in this budget here, I was very much disappointed and I thought it would be well to try to get it taken out.

I realize that we have come a long way as far as recycling is concerned but I feel the recycling all over the state is well attended and well going and I think there is a lot of communities that don't have recycling that can look to other communities and see what they have done and we could save this money.

I realize that there will be about \$4 million that could go to the Department of Parks and, if you look at the budget as far as parks is concerned, as far as repairs and maintenance, this is just another drop in the bucket for what they really need. When Herb Hartman was talking to our committee, he said it will taken \$19 million to get these parks up into A-1 shape. I don't believe the people that are paying the tax on the tires and the batteries and the white goods will object to spending this money for this purpose as long as they know they are going to have better parks, better restrooms and also a better enticement for the tourists to come into the State of Maine.

I am of the opinion that if we are not going to take good care of our parks, we ought to do away with them. If we are going to have parks, let's do it

right so the people that come into the state will want to come back again. This will help our tourist trade and I think this is one way of doing it.

I would urge that you pass this budget.

I request the yeas and nays when we vote.

Representative Chonko of Topsham moved that House Amendment "A" (H-680) to Committee Amendment "B" (H-677) be indefinitely postponed.

The SPEAKER: The Chair recognizes the Representative from Harpswell, Representative Coles.

Representative COLES: Mr. Speaker, Men and Women of the House: An important and even essential element in the state's economic infrastructure is a sound and effective solid waste management system. All of our businesses and all of our towns need such a system. What this amendment would do by eliminating the agency would also eliminate all statewide planning for solid waste management. It would eliminate all technical assistance to business including the waste cap program, programs which in fact have saved businesses in this state hundreds of thousands of dollars in waste disposal costs. It would eliminate all technical assistance to towns, not simply for recycling but for composting, sitings, for dealing with bulky waste etcetera. Maine Municipal Association is horrified by this amendment.

In addition, the amendment proposed to move siting operations in the DEP while providing no money. The DEP positions in the amendment are existing DEP positions doing licensing and enforcement, so you would be saddling the agency with substantial new tasks and absolutely no money to carry them out.

It also eliminates \$1 million that is now in the budget for recycling grants at the local level.

It also, while it moves the siting operation into DEP, moves the siting director to DECD.

It takes money which is raised specifically, as Representative Lord noted, to fund solid waste management and diverts it other purposes; in other words, violates the purpose of a dedicated fund. The more often we do that, the less and less faith anyone will have in any commitment any legislature makes by sensibly dedicating funds.

Its overall effect, I believe, will be severely detrimental to the business community of this state, to the towns of this state and to our efforts to deal responsibly and effectively with our difficult solid waste management problems. I hope you will support the pending motion of indefinite postponement.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of Representative Chonko of Topsham that House Amendment "A" (H-680) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 213

YEA - Adams, Aliberti, Anderson, Beam, Bowers, Brennan, Bruno, Cameron, Campbell, Caron, Carroll,

Cashman, Cathcart, Chonko, Clement, Cloutier, Coles, Constantine, Cote, Cross, Daggett, Driscoll, Dutremble, L.; Erwin, Farnsworth, Farnum, Fitzpatrick, Gean, Gwadosky, Hale, Heesch, Heino, Hitchborn, Hoglund, Holt, Jacques, Johnson, Joseph, Ketterer, Kilkelly, Kontos, Kutasi, Larrivee, Marsh, Melendy, Michaud, Mitchell, E.; Norton, O'Gara, Oliver, Ott, Paradis, P.; Pendleton, Pfeiffer, Pineau, Pinette, Plourde, Pouliot, Ricker, Rowe, Ruhlin, Rydell, Simonds, Skoglund, Stevens, K.; Sullivan, Swazey, Townsend, E.; Townsend, G.; Townsend, L.; Tracy, Treat, True, Vigue, Walker, Wentworth, The Speaker.

YAY - Ahearne, Ault, Bailey, R.; Bennett, Birney, Carleton, Carr, Clark, Clukey, Dexter, Donnelly, Farren, Foss, Gamache, Gould, R. A.; Gray, Greenlaw, Hatch, Hillock, Hussey, Jalbert, Joy, Kerr, Kneeland, Lemke, Lemont, Libby Jack, Libby James, Lindahl, Lipman, Look, Lord, MacBride, Marshall, Martin, H.; Michael, Morrison, Murphy, Nash, Nickerson, Pendexter, Reed, G.; Reed, W.; Robichaud, Rotondi, Simoneau, Small, Stevens, A.; Strout, Taylor, Thompson, Tufts, Whitcomb, Young, Zirkilton.

ABSENT - Aikman, Bailey, H.; Barth, Chase, Coffman, DiPietro, Dore, Faircloth, Mitchell, J.; Nadeau, Plowman, Poulin, Rand, Richardson, Saint Onge, Saxl, Spear, Tardy, Winn.

Yes, 77; No, 55; Absent, 19; Paired, 0; Excused, 0.

77 having voted in the affirmative and 55 in the negative with 19 being absent, the motion to indefinitely postpone House Amendment "A" (H-680) to Committee Amendment "B" (H-677) did prevail.

Representative Farnsworth of Hallowell offered House Amendment "B" (H-681) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "B" (H-681) to Committee Amendment "B" (H-677) was read by the Assistant Clerk.

The SPEAKER: The Chair recognizes the Representative from Hallowell, Representative Farnsworth.

Representative FARNSWORTH: Mr. Speaker, Men and Women of the House: I propose this amendment with great respect to the amount of work that was done by the Appropriations Committee. There were many, many things that were in that budget or not in that budget that I would have liked to have seen done differently and this is a very small piece that I am proposing, not as a matter of choice, not as a matter of something that I just think would be a good idea, but as an attorney who has worked in state government, as a legislator who knows full well through the Judiciary Committee the role that the Attorney General office plays and the DA's play in our state enforcement of laws. I feel that this level of restoration is absolutely essential to proper functioning of state government.

I also believe that as a fiscal matter restoration of this \$400,000 is essential if we are not to lose additional revenues. I think there is a very real chance that despite some of the provisions of the budget as finally presented here, which did some restoration above the original cuts proposed, that in fact there will be a threat to the District Attorneys offices in terms of their staffing levels. The District Attorneys, right now, have an average caseload of 5,000 cases each year. I think even a few District Attorneys being taken out of that system is a very serious concern and should be to every single one of us. They simply can't function at that

level and it will also seriously and clearly affect the revenues.

This proposal I propose to be funded by a very modest expansion of sales tax to extended warranties.

I would suggest that since the Appropriations Committee did not choose to accept the prioritization made by the Judiciary Committee a few years ago, when we went through the Attorney General's office we felt, if you look at life and death, if you look at statutory obligations of state government, that despite its effectiveness and despite its popularity, that Consumer Division is a lower priority. The Appropriations Committee, as I understand it, specifically requested that the funds that they were making available to the Attorney General's office go to the Consumer Affairs Division of the AG's office which is doing a wonderful job and I agree that it is a great program. But, if I had to choose between the District Attorney's and the part of the AG's office that are the basic legal advice for core state agencies, I could not justify that particular selection. It seems to me that it is appropriate to go to a form of funding which has something to do with the kind of work that the Consumer Division does and that is the law on extended warranties.

For these reasons, I honestly believe that we are at a point where we have negotiated, we have cut \$600 million out of this budget, we have done what I consider really reprehensible kind of cuts and deferrals in retirement, I honestly think that it is not possible to take more cuts in the context we are in. There are things, sure, that could be cut but politically we can't. I would urge you to make this correction. I have offered a funding source and support this for the need that we have to operate state government properly.

Representative Chonko of Topsham moved that House Amendment "B" (H-681) to Committee Amendment "B" (H-677) be indefinitely postponed.

The SPEAKER: The Chair will order a vote. The pending question before the House is the motion of Representative Chonko of Topsham that House Amendment "B" (H-681) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

80 having voted in the affirmative and 42 in the negative, House Amendment "B" (H-681) to Committee Amendment "B" (H-677) was indefinitely postponed.

The SPEAKER: The Chair recognizes the Representative from Lewiston, Representative Aliberti.

Representative ALIBERTI: Mr. Speaker, Men and Women of the House: I do not accept the defeat of a serious and valid cause without tenacity, persistence and dedication to this cause, namely the unfunded liability of the Maine State Retirement System.

A short while ago, I initiated my first attempt to address this cause. However, the Department of the Attorney General acknowledges serious constitutional challenges to my legislation. Ironically, just recently the State Supreme Court ruled in favor, not against, the position addressed in this amendment.

I find this appeal that I am making to you a justifiable one. If you will look at the amendment and you look at the Statement of Fact, you will find that this amendment will allow and kick in towards the unfunded liability of the Maine State Retirement System only and if there is a surplus at the end of the budget year. That means this, it has no effect

in dollars and cents as far as the current budget is concerned. It has a uniqueness by itself. Also, you have a misrepresentation in that blue paper that I was assured there would be a correction on, but I haven't seen it, in describing the amendment, the bottom statement is incorrect. That bottom statement where it refers to my amendment is not a part of that amendment. I was assured that there would be a correction made on that and I haven't seen it. So, I feel that is not a very comfortable position to be in.

The second uncomfortable position is — and the Speaker's remark at the beginning of this session stating that he would vote against every amendment, I found that uncomfortable in that this has no direct effect on the current budget. It is an attempt to awaken the responsibility that has been handled in a negligent way in funding the Retirement System.

This makes a lot of sense, it initiates a way of getting and taking the responsibility of meeting the commitment that we said they had to meet by law and what better way to do it than through the system that we have in addressing the surplus. Now you say, the surplus? I think we are in a position now to look at things optimistically. I think from an economic point of view, things are beginning to change. Wasn't there a surplus this year? I read of a \$13 million surplus and also that it could be more. I have never made a direct plea for votes but this is an extremely special cause and it is a relatively easy way of addressing a responsibility that has not been addressed.

I offer House Amendment "D" (H-683) to Committee Amendment "B" (H-677) and move its adoption.

House Amendment "D" (H-683) to Committee Amendment "B" (H-677) was read by the Assistant Clerk.

Representative Aliberti of Lewiston requested a roll call.

The SPEAKER: The Chair recognizes the Representative from Topsham, Representative Chonko.

Representative CHONKO: Mr. Speaker, Men and Women of the House: I move that House Amendment "D" (H-683) to Committee Amendment "B" (H-677) be indefinitely postponed.

I know what the gentleman from Lewiston is doing, a lot of us have a lot of problems with a lot of aspects of the Retirement System, but we have imposed a study in the budget for the Retirement System and I think this is one of the fields that will be taken care. I hope we will indefinitely postpone this amendment and let the study take its course.

The SPEAKER: The Chair recognizes the Representative from Corinth, Representative Strout.

Representative STROUT: Mr. Speaker, Men and Women of the House: I am going to urge you tonight to vote against the indefinite postponement and don't worry about the study that is going to be done. I think the gentleman from Lewiston has put an amendment before us that makes a lot of fiscal sense. I think a lot of us do have concerns about the Retirement System and I think this is one amendment that is being offered here that might have some impact down the road that all of us could support. I think we ought to do it tonight and forget about the situation we are in where we can't support any amendments. This is an amendment that we ought to look hard at and it will have an effect down the road if there is any surplus and I think we ought to be concerned about it.

I am really pleased that the gentleman from Lewiston tonight has brought this amendment forward.

I would urge you strongly to vote against the indefinite postponement so we can adopt it.

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative Jalbert.

Representative JALBERT: Mr. Speaker, Men and Women of the House: We have had studies until we are choking on it. In the eight or nine years that I have been here, I have seen the Monks Report. I was on one committee that was made up of municipal and county and so on, the office downstairs on the first floor is full of reports. You can have all the reports and surveys that you want, but I agree with the good Representative from Corinth and my good friend from Lewiston, finally somebody has come across with something that we can do something about it.

The way I look at it, if I have got some of my children that are having trouble making both ends meet, they keep asking me for money and I have had to do it to my children, when they get their income tax checks, hold on, you are paying some of your bills or putting it to one side, finally we will get something from my good friend from Lewiston that makes sense. I would ask that we would go along with him.

Representative Aliberti of Lewiston requested a roll call vote on the motion to indefinitely postpone House Amendment "D" (H-683) to Committee Amendment "A" (H-677).

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of the Representative from Topsham, Representative Chonko, that House Amendment "D" (H-683) to Committee Amendment "A" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 214

YEA - Brennan, Bruno, Cameron, Campbell, Carleton, Carroll, Chonko, Clukey, Cross, DiPietro, Faircloth, Gwadosky, Hichborn, Hillock, Lipman, MacBride, Michaud, Ott, Paradis, P.; Pendexter, Plourde, Pouliot, Rydell, Simonds, Taylor, Thompson, Whitcomb, Young, Zirkilton, The Speaker.

NAY - Adams, Ahearn, Aikman, Aliberti, Anderson, Ault, Bailey, R.; Barth, Beam, Bennett, Birney, Bowers, Caron, Carr, Cashman, Cathcart, Clark, Clement, Cloutier, Coles, Constantine, Cote, Daggett, Dexter, Donnelly, Dore, Driscoll, Dutremble, L.; Erwin, Farnsworth, Farnum, Farren, Fitzpatrick, Foss, Gamache, Gean, Gould, R. A.; Gray, Greenlaw, Hale, Hatch, Heeschen, Heino, Høglund, Holt, Hussey, Jacques, Jalbert, Johnson, Joseph, Joy, Kerr, Ketterer, Kilkelly, Kneeland, Kontos, Kutasi, Larrivee, Lemke, Lemont, Libby Jack, Libby James, Lindahl, Look, Lord, Marsh, Marshall, Martin, H.; Melendy, Michael, Mitchell, E.; Morrison, Murphy, Nash, Nickerson, Norton, O'Gara, Oliver, Pendleton, Pfeiffer, Pineau, Pinette, Plowman, Rand, Reed, G.; Reed, W.; Richardson, Ricker, Robichaud, Rotondi, Rowe, Ruhlin, Simoneau, Skoglund, Small, Stevens, A.; Stevens, K.; Strout, Sullivan, Swazey, Tardy,

Townsend, E.; Townsend, G.; Townsend, L.; Tracy, Treat, True, Tufts, Vigue, Walker, Wentworth.

ABSENT - Bailey, H.; Chase, Coffman, Mitchell, J.; Nadeau, Poulin, Saint Onge, Saxl, Spear, Winn. Yes, 30; No, 111; Absent, 10; Paired, 0; Excused, 0.

30 having voted in the affirmative and 111 in the negative with 10 being absent, the motion to indefinitely postpone did not prevail.

Subsequently, House Amendment "D" (H-683) to Committee Amendment "B" (H-677) was adopted.

Representative Morrison of Bangor offered House Amendment "E" (H-684) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "E" (H-684) to Committee Amendment "B" (H-677) was read by the Assistant Clerk.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Morrison.

Representative MORRISON: Mr. Speaker, Ladies and Gentlemen of the House: This amendment addresses three areas of concern in the proposed budget.

Number one, the change in the reimbursement formula for General Assistance, the special housing need in the second year and the AFDC cut of four percent.

Back to the first one on the reimbursement, under the current GA reimbursement formula, the municipalities direct GA costs are controlled by an obligation threshold which is .0003 times the 1981 state valuation. The proposed budget has the same formula but it changes it to the 1991 valuation. This is a rather heavy hit on the local municipalities. This proposal reduces that to .0002 times the current valuation, which still means that the municipalities will have to accept in the cost shifting, however the shift will not be as great. For example in the case of Portland, it is about \$100,000 savings to the town. Bangor is about \$50,000 plus and Lewiston is over \$50,000. If you live in a municipality where this applies, you too will have a change.

In the second part, this amendment restores in the second year, the special housing need. The current budget proposal cuts it to \$50, this would restore it to \$75. Once again, we are talking about the people who have the greatest needs. In this particular category, only about 20 percent of the people who are living on AFDC are living in subsidized housing, that means 80 percent of the people are not living in subsidized housing. These are the people who really get whacked the hardest in this particular case, these are the people who are living off the local economy. That means they have to pay fair market rent, their rent is controlled, they also have to pay utilities which is a fixed cost. When you add all of this fixed cost together, they only have one variable account left in their income, that is their food budget. This hits children the hardest because they have no choice but to pay for their electricity and pay for their rent or their other option is to become homeless. So, the only discretionary money that these people have is their food budget and when you whack the food budget, who are you hurting, the children.

The other thing that happens is if they don't have the money, where do they go? They are going to go to GA. They are going to come to your local municipality and look to see if they can get the extra money, so you have done two things here.

On the third one, AFDC, you are talking about a

four percent cut in AFDC. We have lost track of what AFDC means, it means Aid for families with Dependent, dependent Children. We are talking about children here we are not talking about a welfare program for mothers. Let's remember, we have all stood here today and we have talked about COLA's, we are talking here about an 8 percent cut in AFDC, what is that a negative COLA? We are talking about taking away approximately three years worth of COLA's that everybody else is getting plus, yet the cost of living is three percent and we are going to take away six or eight. Aren't we working in a pretty negative way? We are really decreasing these peoples' buying powers. I want you to think about that when you take the vote.

Mr. Speaker, I would request the yeas and nays.

Representative Chonko of Topsham moved the indefinite postponement of House Amendment "E" (H-684) to Committee Amendment "B" (H-677).

The SPEAKER: The Chair recognizes the Representative from Gardiner, Representative Treat.

Representative TREAT: Mr. Speaker, Men and Women of the House: I hope you will vote with me against indefinite postponement of the amendment. I would like to speak to why you should do that.

Some of us over the last week or two took a look at what was coming out of the Appropriations Committee and we realized that there was a group of persons in this state that was not adequately well-fed, clothed, housed and cared for and that was the children of this state. We put together a group which we called 101 for Children just because — partly it was a play on another group name and partly because we thought we want a budget that reflects at least 101 votes that will support children's issues.

We talked to people in this House and we talked to the Appropriations Committee and to their credit the Appropriations Committee put many of our priorities back into the budget. For that, I would say (as one member of that group) that I am very, very appreciative.

There is really though only one area of the budget where not enough was put in. There are areas where you can say I wish more was done but we really thought there was only one area where it is really inadequate and that is in the area of General Assistance and AFDC. Actually, right up until the last minute, the General Assistance budget was more than what is in the budget right now. As you all know, kind of at the last minute, suddenly these holes develop off in parts of the budget that have nothing to do with children and people scramble around to try to find how they can make up that money at two a.m. or whenever it may be. As a result of that scrambling, an additional amount of money, \$2.6 million, was shifted onto local property taxes through a change in the reimbursement formula that had been adopted earlier in the budget discussions.

The first and most important thing that this budget amendment would do would be to restore that \$2.6 million to towns.

This is very important to understand, this is not something that actually is going — well, it is easy to understand what the direct impact of this money is, I will put it that way. It is an amount of money that is definitely going to have to come out of the towns' pocket and that means local taxpayers. It is money that must be spent by towns, they are mandatory spending although this budget is premised on changes in the eligibility for General Assistance. If

someone presents themselves for General Assistance and they meet those eligibility criteria, the towns must pay. Basically, this money doesn't provide enough money for towns to do that. It is a very clear shift from a broadbased state tax to property taxpayers. So, as Representative Morrison mentioned, the first part of this bill is \$2.6 million which goes back to towns to pay for costs which in this case they have already incurred and the state is behind in its payments.

The second part of this bill restores two percent of the cuts to AFDC recipients. Some of you may remember that the Human Resources Committee talked a lot about what we would like to see in this budget and we were recommending that we keep the four percent cut that was in the supplemental budget. This amendment represents a compromise between what the Appropriations Committee recommends with a full eight percent cut and what the Human Resources Committee recommended which was to continue the four percent cut and it reaches a middle ground of a six percent cut. It is still going to hurt a lot.

The fact is that the amount of money that AFDC recipients are getting is not enough to pay the rent in many instances. If that is the case, that person has two options. They go to General Assistance whereas I said the towns will pay and they will be getting less reimbursement to do that or they will get evicted from where they are. A somewhat shocking statistic for me, which I didn't actually learn until last week, was that one out of four homeless persons in this state is a child. I hope that you will keep that in mind when you think about voting on this amendment.

Earlier in today's debate, there was mention of Vermont, a wonderful state, happens to be my home state, so I always perk up when people mention it. The context was that Vermont is really doing a great job balancing its budget, cutting things, things are really much better there fiscally. So, I thought you might be interested to know that in Vermont the monthly payment for an agency recipient for a family of three is over \$200 more than what the Maine payment is. In fact, we have the lowest payment in New England.

Even if this amendment is adopted, the payment level for a family of three will be \$427 a month and for a family of two, \$318. I happen to be a renter myself. I know actually the majority of this House is probably landlords but I am a renter and I am very in tune with what rental costs are. I will tell you that my rent is \$460 a month and it is a great deal because I get my heat included and my electricity and a few other things, they plow the driveway. That is a very good deal and I know that it is quite competitive with rent in my town even in seedier neighborhoods than I live in. Under that scenario, neither of these monthly payments would cover the rent in the town of Gardiner. I know that that is the case in many other towns as well.

What this amendment does is it bumps it up a couple of dollars from what is in the Appropriations Committee budget but it still is going to be very hard for these families.

The final element of what this amendment does is it restores \$25 in the second year of the biennium to the special housing needs allowance. This is a program that 19 percent of the AFDC recipients access, it was instituted in the last biennium when we drastically cut General Assistance. We actually

cut it by almost 50 percent and it is a way to draw down federal money for people like my constituents in Gardiner who will not be able to cover their rent with their monthly payments.

The housing special needs allowance is particularly federally funded, I believe it is 50 percent federally funded and it has had a very positive impact on municipal General Assistance budgets because those costs are being paid in partially federal dollars instead of all state dollars and are keeping people away from the General Assistance Offices and the impact on property taxes. That is what this amendment does.

The total amount of the add-back here is \$4.6 million, that is a very small amount in the context of this entire budget but it is a very large amount when we look at the pocketbook of these individuals and children and when we look at the impact on property taxes in your communities and mine. We are funding this with 3 cents a pack cigarette tax.

Just some facts on that very briefly. The highest tax in the country on cigarettes is 65 cents a pack, we are at 37 cents and there are quite a few states in-between. I would suggest that 3 cents a pack on cigarettes is a small price to pay for what it buys us here.

I would urge that you support this by voting against the indefinite postponement of this amendment.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Faircloth.

Representative FAIRCLOTH: Mr. Speaker, Colleagues of the House: I urge you to oppose the indefinite postponement measure. Passage of this amendment would help property taxpayers. Passage of this amendment would help children.

The SPEAKER: The Chair recognizes the Representative from Bangor, Representative Morrison.

Representative MORRISON: Mr. Speaker, Ladies and Gentlemen of the House: I would like to point out one thing on the fiscal note which I very erroneously left out. You will notice that this is a positive number in the General Fund of \$53,560 in fiscal year '93-94 and a gain to the General Fund of \$363,249 in fiscal year '94-95.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Rowe.

Representative ROWE: Mr. Speaker, Men and Women of the House: I also urge you to defeat the pending motion so that we can go on to pass this amendment.

I won't reiterate what is contained in the amendment, the Representatives from Bangor and Gardiner have explained it well. I will say that I think you can accomplish two things by voting for this amendment and against the pending motion.

Number one, we can protect the children in our state; number two, we can protect the property taxpayers in our towns and cities.

I do not believe that the amendment will necessarily raise taxes. What it will do is prevent the shift of most of the \$4.6 million in spending to the property tax.

Many of us I know when we were campaigning talked about doing things that would alleviate the burden on the property taxpayers in our cities and towns. I feel we are doing just the opposite in this budget. Here we have an opportunity to ensure that people do not have to sell their homes to pay their property taxes. As you know, we severely cut the circuit breaker program in the budget, it protected a lot of people. That money is not there anymore. We are

going a step further and we are passing on these mandatory General Assistance costs to the cities and towns. I don't think we can fool people. I think they will recognize this for what it is — a cost shift to the property tax.

On the children issue — when we were sworn in, we took an oath to provide for the common welfare of our citizens. As you know, we have cut AFDC benefits eight percent, four percent in April and four percent in this budget. This amendment calls for a restoration of two percent of that eight percent, Nothing more, simply two percent. I don't think it is enough but it is something. It also includes a restoration to the special needs housing allowance in the second year of the biennium. As you have been told, if we keep that cut in there, we will lose federal dollars to the extent we cut the AFDC benefits, we cut the special housing, more people qualify for general assistance. So, just because we reduce those areas, it is not going to reduce the General Assistance area and our local property taxpayers are going to have to pick up the burden.

This amendment is straight forward, I think it is about tax fairness, it is about fiscal prudence and it is about protecting children. I would ask that you oppose the pending motion so we can go on and pass the amendment.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Brennan.

Representative BRENNAN: Mr. Speaker, Men and Women of the House: I want to make a couple of additional points. First just to reiterate what somebody mentioned earlier, this does not restore any of the eligibility changes that have been made to the General Assistance program already. In the budget, the Appropriations and Financial Affairs Committee adopted a list of changes in eligibility that will reduce the number of people who are eligible for the program, so this amendment solely, on the General Assistance part, puts money into the account that would reimburse municipalities. It does not speak to restoring any eligibility parts of the program.

Secondly, in regard to AFDC, there was an article that recently appeared in the National Review. By most accounts, the National Review is a moderate to even conservative magazine and this article had to do with child welfare, why children ended up in foster homes and in the child welfare program. It says, "The majority of removals are for allegations of neglect or emotional maltreatment. Neglect usually means that the child comes from a poor family and, like his parents, suffers from the hardship of poverty. Children are taken away because the family does not have a place to live, children are taken away because the food stamps have run out, children are taken away because the family can't pay for the heat."

I would submit to you that the cuts that have been made in AFDC and the reductions that we have made in others parts of the budget will result in more children ending up in foster care and in protective custody of the state simply because their families will not have the income to pay for the basic necessities.

I think this amendment is a prudent amendment and that the source of income that would pay for this amendment is eminently reasonable and I ask that you support it.

The SPEAKER: The Chair recognizes the Representative from Jonesboro, Representative Look.

Representative LOOK: Mr. Speaker, I would like to pose a question through the Chair.

If this amendment is defeated as being indefinitely postponed and from what we have heard, it is indicated that it will be put back upon the municipalities, does this therefore create a state mandate?

The SPEAKER: The Chair would advise the Representative that it would not, the entire budget is a state mandate and requires two-thirds.

Representative Lemke of Westbrook requested a roll call vote.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of Representative Chonko of Topsham that House Amendment "E" (H-684) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 215

YEA - Aikman, Anderson, Ault, Bailey, R.; Barth, Bennett, Birney, Bruno, Cameron, Campbell, Carleton, Caron, Carroll, Cashman, Chonko, Cloutier, Clukey, Cote, Cross, Dexter, DiPietro, Donnelly, Dore, Dutremble, L.; Erwin, Farnum, Farren, Foss, Gamache, Gould, R. A.; Greenlaw, Gwadosky, Hatch, Heino, Hichborn, Jacques, Joseph, Joy, Kerr, Ketterer, Kneeland, Kutasi, Lemont, Libby Jack, Lindahl, Lipman, Look, Lord, MacBride, Marshall, Martin, H.; Melendy, Michael, Michaud, Murphy, Nash, Nickerson, Ott, Paradis, P.; Pendleton, Pineau, Plourde, Plowman, Pouliot, Reed, G.; Reed, W.; Ricker, Robichaud, Rotondi, Simoneau, Skoglund, Stevens, A.; Swazey, Tardy, Taylor, Thompson, Tufts, Vigue, Whitcomb, Young, Zirkilton, The Speaker.

NAY - Adams, Ahearne, Aliberti, Beam, Bowers, Brennan, Carr, Cathcart, Clark, Clement, Coles, Constantine, Daggett, Driscoll, Faircloth, Farnsworth, Fitzpatrick, Gean, Gray, Hale, Heeschen, Hillock, Hognlund, Holt, Hussey, Jalbert, Johnson, Kilkelly, Kontos, Larrivee, Lemke, Libby James, Mitchell, E.; Morrison, Norton, O'Gara, Oliver, Pfeiffer, Pinette, Rand, Richardson, Rowe, Ruhlin, Rydell, Simonds, Stevens, K.; Strout, Sullivan, Townsend, E.; Townsend, G.; Townsend, L.; Tracy, Treat, True, Walker, Wentworth, Winn.

ABSENT - Bailey, H.; Chase, Coffman, Marsh, Mitchell, J.; Nadeau, Pendexter, Poulin, Saint Onge, Saxl, Small, Spear.

Yes, 82; No, 57; Absent, 12; Paired, 0; Excused, 0.

82 having voted in the affirmative and 57 in the negative with 12 being absent, House Amendment "E" (H-684) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Ruhlin of Brewer offered House Amendment "F" (H-685) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "F" (H-685) to Committee Amendment "B" (H-677) was read by the Assistant Clerk.

The Chair recognizes the Representative from Brewer, Representative Ruhlin.

Representative RUHLIN: Mr. Speaker, Ladies and Gentlemen of the House: This is truly a technical correction to the bill and in no way affects any of the funding that the Appropriations Committee has come up with or any percentages of funding to one organization or another.

However, I found out earlier in the session that on Page 566 of your budget what is referred to as a Retired Senior's Volunteer Program, the proper term is the Maine Association of Older Americans Volunteer Program, that serves as a spectrum umbrella for RSVP and the Foster Grandparents Program and the Senior Citizens Companion Program. That is what the Appropriations Committee is trying to address. I got a letter from the organization today asking us if we would finally, correctly identify them so that there would be no question on this important fiscal document of ours and that is what this amendment attempts to do. It does not attempt to change or rearrange anything the Appropriations Committee has already done, only correct a definition.

Representative Chonko of Topsham moved that House Amendment "F" (H-685) to Committee Amendment "B" (H-677) be indefinitely postponed.

The SPEAKER: The Chair recognizes the Representative from Waterville, Representative Joseph.

Representative JOSEPH: Mr. Speaker, Men and Women of the House: A piece of legislation came before the State and Local Government Committee during the session, it was L.D. 1496. It was a unanimous "Ought Not to Pass" and it seems that the Maine Association of Older American Volunteers Program was considered a private organization. This money currently is allocated to the Bureau of Elder Services as directly appropriated to this private organization through RFP, such as RSVP, the Senior Volunteers, and Foster Grandparents. We have had this discussion within the committee and we felt that the money should be appropriated to the Bureau of Elder and Adult Services. I urge you to vote for the indefinite postponement of this amendment.

The SPEAKER: The Chair recognizes the Representative from Brewer, Representative Ruhlin.

Representative RUHLIN: Mr. Speaker, Ladies and Gentlemen of the House: The Appropriations Committee decided to appropriate the funds directly to this particular organization, not to the Bureau of Elder Services. I am sorry to say I didn't feel the committee had a right then, they still don't have the right.

The purpose is that RSVP is a retired senior's volunteer program, it is part of an umbrella organization. The umbrella organization, which is a conduit for federal funds into the State of Maine, does not charge one cent, does not even pay for postage stamps or gasoline, it serves as an umbrella to bring the money in and put it equally to the various RSVP programs. The question here tonight is — actually it is not a question, the problem we are having is definition. The proper definition of what has been called RSVP is Maine Association of Older Americans and Volunteer Program. That is what we are attempting to do.

The Appropriations Committee has said, put it on a separate line, nobody is trying to change that at all, nobody is trying to alter what I see in the document on Page 566 and 570 before us, all the question is is the definition. If you say RSVP,

which RSVP is it? Is it the one in Aroostook County, the RSVP in mid-coast, the RSVP in central Maine, the RSVP in southern Maine? However, if you correct the definition and do it for the Maine Association of Older Americans Volunteer Program, the Spectrum, it will go to the right place so they split it equally. That is why I feel it should be correct in this budget document. I don't want to get up and mix words with people and get hung up on definitions but I do think in this case it is probably proper to have the proper definition.

The SPEAKER: The Chair recognizes the Representative from Holden, Representative Campbell.

Representative CAMPBELL: Mr. Speaker, Men and Women of the House: I didn't plan to rise on this. This is an organization that is near and dear to me.

Again, this is just a language change. This is an umbrella organization, there are three programs in which this umbrella organization encompasses and I have vowed to essentially not vote for any amendments but in the sense of this one, this is a function of language and I would, specially after talking to the organization, encourage that we work with Representative Ruhlin and follow his light.

The SPEAKER: The Chair recognizes the Representative from Fairfield, Representative Gwadosky.

Representative GWADOSKY: Mr. Speaker, I would like to pose a question through the Chair, please.

This is an important program that I think most members of this body would support. I was under the assumption, I stand corrected, that this particular provision was being taken care of in a technical amendment that Representative Chonko of Topsham is going to be offering later on. I was not down in Appropriations when that was determined and I guess I would pose that question as to whether or not this amendment is being addressed in a technical amendment to come later on?

The SPEAKER: Representative Gwadosky of Fairfield has posed a question through the Chair to any member who may respond if they so desire.

The Chair recognizes the Representative from Topsham, Representative Chonko.

Representative CHONKO: Mr. Speaker, Men and Women of the House: The gentleman in the corner is correct, it is in the Errors Bill and this amendment would be in conflict.

The SPEAKER: The Chair recognizes the Representative from Brewer, Representative Ruhlin.

Representative RUHLIN: Mr. Speaker, I would like to pose a question to Representative Chonko of Topsham, please.

Could she please tell us what the proposed technical — why it would be in conflict? I have seen a document that I feel was also (again) not properly defined that perhaps at some future time be coming before us that will not in fact solve the problem of definition?

(At Ease)

The House was called to order by the Speaker.

Subsequently, Representative Ruhlin of Brewer withdrew House Amendment "F" (H-685) to Committee Amendment "B" (H-677).

The same Representative offered House Amendment "G" (H-686) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "G" (H-686) to Committee Amendment "B" (H-677) was read by the Assistant Clerk.

The SPEAKER: The Chair recognizes the Representative from Brewer, Representative Ruhlin.

Representative RUHLIN: Mr. Speaker, Ladies and Gentlemen of the House: This particular amendment addresses the discretionary furlough/lay-off condition of employees federally-funded in the Department of Labor, in particular those people who are in the Job Training Partnership Act and the Employment Security.

The present budget document before you has a section that says because they are federally-funded, they may not necessarily be furloughed or laid off but it would be a subject of collective bargaining at that time. I think that is wrong. We were elected to establish the policies in this state, as was the Executive Branch, those are the two policy-making bodies. We should decide those federal positions that do not affect the General Fund of the budget. We should decide when somebody in business in the State of Maine has to call up under difficult economic times and ask if a job can be filled. We are the ones that have to make sure that somebody is there to answer the phone, that they haven't been on furlough. That is a policy decision, that should be for collective bargaining.

The federal government has told this state, and I have the document here, that we endanger our standing with those employment security funds, the unemployment trust fund we have, because we do not guarantee during those furlough days that those federal funds will be available for the purpose for which they were intended, that being to have people who can, number one, file for their unemployment and receive their unemployment benefits in an orderly way, in an orderly fashion, and that those people looking to hire people can in fact contact somebody at the state office rather than a recording that says sorry, we are closed, on furlough for the day or shutdown for the day, and call us back tomorrow. These are funds that are federal funds that perform a very important function within our society. They do not affect the General Fund budget and they should not be a part as a matter of policy of the shutdown or furlough process of this state as they have no economic impact. Therefore, I ask this body tonight to vote for House Amendment "G" and establish in all certainty the fact that we are the policy-making body of the state and not leave it to collective bargaining.

Representative Chonko of Topsham moved that House Amendment "G" (H-686) to Committee Amendment "B" (H-677) be indefinitely postponed.

The SPEAKER: The Chair will order a vote. The pending question before the House is the motion of Representative Chonko of Topsham that House Amendment "G" (H-686) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

53 having voted in the affirmative and 34 in the negative, House Amendment "G" (H-686) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Donnelly of Presque Isle offered House Amendment "L" (H-692) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "L" (H-692) to Committee Amendment "B" (H-677) was read by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Presque Isle, Representative Donnelly.

Representative DONNELLY: Mr. Speaker, Ladies and Gentlemen of the House: I rise today to speak of a critical issue of equity for the future of our state, the children and the schools providing their education.

I strongly urge you to support this amendment. If you examine it closely, the language provides a clear mechanism which will allow our funding process to experience a more reasonable year of transition in 1993 and 1994. In the transition portion of the proposed amendment, there is a clear recognition of the dispirit effects the reduction of subsidy has on our communities across the state. For those systems in more wealthy communities, there is the concession of a five percent minimum subsidy. For those communities that experience a significant reduction in subsidy, there is a 90 percent whole harmless provision. No district or school system would receive less than 90 percent of their current general proposed subsidy in the next year.

Thirdly, the reduction from the certified costs is accomplished through a combination and mill rate adjustment at 50 percent of the total and across-the-board percentage cut for the remaining half.

This proposal works without any deviation from the amount of subsidy proposed by our colleagues on the Appropriations Committee and simply utilizes a much more equitable method distributing that money. It has been said by more than one person that the funding formula does not work backwards with decreased revenues. This is mere speculation as the real funding formula, the School Finance Act of 1985, has not been utilized to distribute state subsidy since General Purpose Aid began to decline over the past three years. Adjustments to the formula have been imposed to cope with those declining revenues. These adjustments have caused our distribution method to fail to meet the wealth neutrality test of the federal impact aid for the first time since the early '70's. We now have failed that test for two consecutive years and we will undoubtedly fail again with the Education Committee's proposal method of distribution.

Even Representative Mitchell, co-chair of the Joint Standing Committee on Education, is quoted in a Portland paper as saying, "We are going to lose" as she talked about the court challenge of the committee's distribution plan should we enact a method of distributing funds that we believe will fail in a court test and also fail to meet the federal wealth neutrality test in distribution of subsidy.

The Education Committee's proposal utilizes two across-the-board cuts to reduce subsidy payments. This method unfairly punishes poor rural districts in Maine who are traditionally high receivers of state aid. It removes substantial proportions of revenue from communities who are operating basic education programs and forces more burden on the already stressed rural agrarian taxpayers. Residents should not create an inequity in education opportunity for

any school aged child in Maine. It is our duty to see that all of our students have an opportunity to an equal and appropriate education. We can only assure this if we distribute our state subsidy for education in an equitable manner.

The proposal before you today provides for equitable distribution of funding through consideration of the purposeful valuation across the state. This is accomplished through the use of adjustments to the mill rate. The proposal also makes significant concessions to wealthier communities across our state by dividing the reduction from certified costs into two sections, one of which is an across-the-board reduction. The cushion exists through the biennium and the 90 percent save harmless provision and the 5 percent minimum subsidy provision.

The legislature saw the wisdom of this plan when it used this method in 1991. It was a compromise then and it is a compromise now. We should see that same wisdom again. This proposal also provides for the next two years for the Governor's Task Force to develop an even more fair way of financing schools if such a way exists.

We can solve our distribution and revenue problem for two years and avoid revisiting this issue in a Special Session when it is defeated in court. We can right one set of wrongs while at the same time preventing ourselves from reinventing a new set inflicts unnecessarily an unethical pain on our poorer and rural schools, the children and their communities.

I urge your support of this amendment.

Representative Chonko of Topsham moved that House Amendment "L" (H-692) to Committee Amendment "B" (H-677) be indefinitely postponed.

The SPEAKER: The Chair recognizes the Representative from Vassalboro, Representative Mitchell.

Representative MITCHELL: Mr. Speaker, Men and Women of the House: I hope you will join the House Chair of Appropriations in indefinitely postponing this amendment.

First of all, I don't believe that any of us can right the distribution of the school funding formula at this hour with only a few minutes left in this legislative session.

The Education Committee spent months and weeks deliberating this very difficult issue. The one thing the 13 of us had in common was that we did not want to see a revisitation of the terrible bloody strife that occurred when we tried to divide up the pie in the last session.

First let me start out by saying that I represent three high receiving communities. I am supporting this plan, even though the amendment that Representative Donnelly offers, of course, is attractive to people who come from high receiving towns. But, I sat aside with the members of my committee who represent towns from Cape Elizabeth to Fort Kent the need to try to protect just my towns and we tried to put together a fair formula for returning to that formula in a two year period of a fair way of distributing funds to all the children in this state. This amendment does not do that. It is very important that we look to all the children, that we do not try to go to the eleventh hour at a failed compromise method that was, indeed, utilized by this legislature the last time around.

Now, it was said that I was quoted as saying we would lose in court but the comments were taken out

of context by the speaker or perhaps by the paper -- we will lose in court if we do not return to a fair method of distributing the aid. Our committee voted unanimously to return to our school funding formula in a period of two years. We do not need to wait until the next biennium, the Governor's Task Force is meeting for the rest of this summer and most likely we will be back in here this Fall or at least in January to deal with the second year of the biennium.

I would encourage you to indefinitely postpone this amendment and let's get on and make sure that the money that we have all fought for, Republicans and Democrats alike, high receivers and low receiver alike, to get out through that formula and the fairest way that we can come up with, given this point in time, to the schools across this state, whether they be in northern Maine or southern Maine.

The SPEAKER: The Chair recognizes the Representative from Winthrop, Representative Norton.

Representative NORTON: Mr. Speaker, Ladies and Gentlemen of the House: The funding that we have advanced through the Education Committee's plan is a compromise in and of itself. Each year, for the past two, I found myself in the awkward position of standing here and trying to say, give us one more year to come up with something.

The second year of this plan should not be allowed to go through. It is incumbent upon us to make the corrections we need in a timely manner while we implement just year one of this.

I do not mean to cut down on those communities who would receive more for those two years because if that is in the name of tax equity, they will receive it. I do not mean to take away more from those high receiving communities than the very least that the Education Committee's plan arranged to do.

I believe we must use this next year, however, more profitably than we used the last year if we are truly to come up with a system to support education that has the elements of both taxpayer and student equity incorporated into that plan.

I urge you at this late moment to follow the light of those that vote to indefinitely postpone this amendment, go with the Education Committee and the Appropriations Committee report. I think for one year we can make it work, I think we risk far more not doing so than we would to snatch this amendment at this hour. I believe it might look like it was giving first aid but it would actually choke the victim.

The SPEAKER: The Chair recognizes the Representative from Jonesboro, Representative Look.

Representative LOOK: Mr. Speaker, Men and Women of the House: I rise merely to point out to you that this amendment will give some relief to the situation that we who are from the eastern end of this state are looking at as far as funding for schools if the current plan goes through.

In studying the proposal, those of us from Washington County are looking at a possible 39 percent bill going back to the towns, 39 percent representing 39 percent of the total amount of cuts for the State of Maine. This is devastating to us.

I will point out to you one particular town that is not in my district but I consider Washington County all of my district, a town of a population of 271 people having to come up with a bill of \$126,000. That's just one example.

Another example is a SAD district that does cover some of my towns where they are looking at the

possibility and probability of shutting down their schools.

The SPEAKER: The Chair recognizes the Representative from Presque Isle, Representative Donnelly.

Representative DONNELLY: Mr. Speaker, Ladies and Gentlemen of the House: By presenting this amendment, I certainly mean no disrespect to the very well respected Committee on Education. If I misquoted the Representative from Vassalboro that was misquoted in the paper, I certainly apologize, but that was as the press reported it.

More to the fact that this bill, as Representative Look has just stated, there are some very poor communities in this state that get hit extremely hard by the Education Committee's report. I think sometimes if we are going to put off until tomorrow what we must do today, does it mean that we have to inflict the most damage on those who can least afford it while doing it?

I think also, while I am up, that I will ask for a roll call Mr. Speaker.

The SPEAKER: The Chair recognizes the Representative from Eastport, Representative Townsend.

Representative TOWNSEND: Mr. Speaker, Ladies and Gentlemen of the House: Very briefly, I feel that the good Representative from Jonesboro has told the true situation. Keep in mind that a lot of these poor districts, when this whole scenario on cut to education started, they looked at richer communities that are crying about losing the school nurse and a lot of our schools were saying, what is a school nurse? So, we didn't start at the same level that most of these schools did.

I don't want to second-guess folks from the Education Committee, they worked very, very hard and I feel they have done probably as good a job as anyone could do — however, those of us from these poorer communities — don't be surprised if we grab at every straw that we can get because we need them.

I am going to be voting for this amendment and I want to thank the good Representative from Presque Isle for taking us into consideration. I would urge your vote against the indefinite postponement of this amendment.

Representative Donnelly of Presque Isle was granted permission to address the House a third time.

Representative DONNELLY: Mr. Speaker, Ladies and Gentlemen of the House: Just for information to the House, I have a handout that unfortunately, as things go quickly at the end of the night, that is on its way in here to be handed out to everyone and I know it is most of the way through the debate but if you look through it, you really can see that the small towns are the only ones that get any sort of big increase in this.

Any town that gets 45 percent as some huge amount is a town that only receives a subsidy of a thousand bucks or so. It is a very small amount and I hope that you will have an opportunity to glance at it before we vote.

The SPEAKER: The Chair recognizes the Representative from Boothbay, Representative Heino.

Representative HEINO: Mr. Speaker, Ladies and Gentlemen of the House: I suppose in one way or another each of our communities at the level that education is currently going to be funded could be classified as a poor area or town. Representative Mitchell states that she represents areas that are high receivers and I represent areas that are low

receivers; yet, I agree wholeheartedly with her that we should support the motion to indefinitely postpone.

This particular time is not the right time to adjust the very complicated and complex method of dividing the funds up on educational funding.

I would hope that you would support the motion to indefinitely postpone.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of the Representative from Topsham, Representative Chonko, that House Amendment "L" (H-692) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 216

YEA - Adams, Ahearne, Ault, Beam, Bowers, Brennan, Bruno, Cameron, Campbell, Carleton, Caron, Carr, Carroll, Cashman, Cathcart, Chonko, Clark, Cloutier, Coles, Constantine, Cote, Cross, Daggett, DiPietro, Dore, Dutremble, L.; Erwin, Faircloth, Farnsworth, Farnum, Fitzpatrick, Foss, Gamache, Gean, Gray, Greenlaw, Gwadosky, Hale, Hatch, Heino, Hichborn, Høglund, Holt, Jacques, Jalbert, Johnson, Joseph, Kerr, Ketterer, Kontos, Kutasi, Larrivee, Lemke, Lindahl, Lord, Marsh, Martin, H.; Melendy, Michael, Michaud, Mitchell, E.; Morrison, Nash, Norton, O'Gara, Oliver, Paradis, P.; Pendexter, Pendleton, Pfeiffer, Pineau, Pinette, Plourde, Pouliot, Rand, Reed, G.; Reed, W.; Richardson, Ricker, Rowe, Ruhlin, Rydell, Saxl, Simonds, Small, Spear, Stevens, A.; Stevens, K.; Strout, Sullivan, Swazey, Tardy, Taylor, Townsend, E.; Townsend, L.; Tracy, Treat, True, Vigue, Walker, Wentworth.

NAY - Aikman, Aliberti, Anderson, Bailey, R.; Barth, Bennett, Birney, Clement, Clukey, Dexter, Donnelly, Driscoll, Farren, Gould, R. A.; Heesch, Hillock, Hussey, Joy, Kilkelly, Kneeland, Lemont, Libby Jack, Lipman, Look, MacBride, Marshall, Murphy, Nickerson, Plowman, Robichaud, Rotondi, Simoneau, Skoglund, Thompson, Townsend, G.; Tufts, Whitcomb, Winn, Young, Zirkilton.

ABSENT - Bailey, H.; Chase, Coffman, Libby James, Mitchell, J.; Nadeau, Ott, Poulin, Saint Onge, The Speaker.

Yes, 101; No, 40; Absent, 10; Paired, 0; Excused, 0.

101 having voted in the affirmative and 40 in the negative with 10 being absent, House Amendment "L" (H-692) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Cathcart of Orono offered House Amendment "H" (H-688) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "H" (H-688) to Committee Amendment "B" (H-677) was read by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Orono, Representative Cathcart.

Representative CATHCART: Mr. Speaker, Ladies and Gentlemen of the House: Simply what this amendment does is restore the cuts to the Maine Human Rights

Commission. The way I proposed to do this is by taking approximately \$136,000 that was appropriated in this budget for the International Commerce Division in DECD and move that over to the Human Rights Commission.

This funding that is now at the level of \$500,000 for the International Commerce Division was recommended unanimously by the Committee on Housing and Economic Development to be abolished, to be removed from the budget, but the \$500,000 did get put back in and that was at a higher level of funding that even had been recommended in the Governor's original budget. Therefore, since the committee that this Division duplicates many of the same functions as the Maine World Trade Association, I feel that it is much more necessary to fund the Maine Human Rights Commission.

The Human Rights Commission now has a total staff of 12 and the funding cut would take away one and one-half time positions of Field Investigators from that commission. This is the same level of funding that they had 12 years ago. They have been cut so much in the past two to three years that this would put them back to where they were 12 years and yet their caseload for a year has risen from 120 to around 1,000 cases, about nine times as many cases. This means that it takes them much longer to deal with each case and there are more delays for individual's and for the businesses who have the complaints.

I think this is a very essential part of our state government. For one thing, it saves money on court costs because cases can be settled outside of court by this commission that is very economically effective and low as opposed to going to court and it saves money for businesses as well if they can these cases handled by the Human Rights Commission. They have had their jurisdiction expanded by this legislature in the last few years and they now have to deal with whistle blowers, complaints with Workers' Comp retaliation cases and many more cases because of the sexual harassment law that we passed two years ago so their workers now can't handle all the cases in a timely manner. I think this is really more important than where this other money had been placed and it only takes about 25 percent of the money from the International Commerce Division and moves it to the Human Rights Commission, so I urge you to vote for this amendment.

Representative Chonko of Topsham moved that House Amendment "H" (H-688) to Committee Amendment "B" (H-677) be indefinitely postponed.

The SPEAKER: The Chair will order a vote. The pending question before the House is the motion of Representative Chonko of Topsham that House Amendment "H" (H-688) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken.

78 having voted in the affirmative and 43 in the negative, House Amendment "H" (H-688) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Richardson of Portland offered House Amendment "I" (H-689) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "I" (H-689) to Committee Amendment "B" (H-677) was read by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Richardson.

Representative RICHARDSON: Mr. Speaker, Ladies and Gentlemen of the House: This and the two amendments that follow deals entirely with tax and fiscal policy of the State of Maine. They do not deal with funding programs that I might like or you might like, that were or were not appropriately funded in the budget. They do not ask more money from the people of the State of Maine to fund those programs.

What they do, in three different areas, is to select one specific area of tax policy in the State of Maine and transfer that money to the amortization problem in the retirement system. I believe, as do many of you, that the amortization problem will not be subject to a quick, golden fix come September with the Blue Ribbon Commission, that in fact it is a tremendous passing of taxes onto our children and onto future generations. For every dollar that we do not raise now or appropriate now to pay down that amortization, our children, unless a miracle comes, will pay \$35 or \$36 over the next 35 years. Men and Women of the House, that is unacceptable. There are no easy solutions for that in tax policy and it is for that reason that I present three areas of what I consider to be inequity in our tax policy to move to the amortization problem in the retirement system.

House Amendment "I" takes the sales tax exemption for vending machines. This was a \$1.77 million dollar piece of revenue and it moves it to the amortization problem with the retirement system.

Why did I select that sales tax exemption? The sales tax exemption on vending machines is fundamentally discriminatory against every retail seller of the goods that are in the vending machines in the State of Maine, every Mom and Pop variety. About ten years ago, the legislature in the State of Maine adopted a sales tax exemption whereby the goods that were in vending machines be taxed at their wholesale value. The business people who operate vending machines make a calculation of price and when they make that calculation of what they will sell to the public, they factor in the wholesale sales tax on that product. Most of the time it comes up to an odd figure, so many cents or tenths of cents per item per candy bar sold in the vending machines. They make a business decision to round that price presumably to the nearest nickel because of course they do not collect the sales tax in a separate way in the vending machine. It is included in the price that the purchaser puts when they put in the money in the machine. There is no reason why vending machine operators cannot, like Mom and Pop varieties, value the retail sales tax for a candy bar that is sold at a Mom and Pop variety in Maine on which there is a retail sales tax of 5 or 6 percent, then so on vending machines should be the same tax. It is discriminatory to single out vending machine operators for favorite treatment or, conversely, it is discriminatory to single out retail sales people, retail business people, to have a differential between wholesale and retail prices in their sales tax. That is \$1.77 million. When that is moved to the amortization to the retirement system, it will save future taxpayers, if the budget is passed, as it now stands, \$62 million dollars, \$1.77 million now to bring a fairer tax policy in this area to save future generations \$62 million. That is why I ask you to join me in adoption House Amendment "I."

Representative Chonko of Topsham moved that House Amendment "I" (H-689) to Committee Amendment "B"

(H-677) be indefinitely postponed.

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative Jalbert.

Representative JALBERT: Mr. Speaker, Ladies and Gentlemen of the House: I realize the unfunded liability of the retirement system is one big problem but this is not the way to approach it.

The way to approach it is to correct the inconsistency in the retirement system and have these unfunded liabilities paid for through the retirement system procedure.

What we are doing in these three amendments, and maybe I am getting ahead of myself, is that you are asking the people to pay tax dollars to do something which has occurred in the past.

The millions of dollars that are in the unfunded liability will not be instantly corrected by this. The Blue Ribbon Commission they are talking about will take it up. I say you need a complete study of the retirement system even as it exists now and the corrections we have made. Every day that we sit here, the unfunded liability is increasing all the time and this is no way to do it. This is throwing good money towards bad money.

I would ask that you support the motion that the good Representative from Topsham made.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Richardson.

Representative RICHARDSON: Mr. Speaker, Ladies and Gentlemen of the House: My good friend from Lisbon articulates genuine concerns about the retirement policy for the retirement program. The issue is, maybe, we cannot deal with the cookie jar that is apparently the means of budgetary escape.

I only present one small piece of fairness that has implications for tax policy and direct involvement in the fiscal problem that we face in this.

Mr. Speaker, I request the yeas and nays.

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative Jalbert.

Representative JALBERT: Mr. Speaker, Men and Women of the House: If we start now to raise taxes to pay the mistakes that were made in the retirement system without correcting the mistakes in it, we are in deep trouble. It will never end. In a year or two, you will come back. We are asking for big money here, millions and million of dollars to be raised with the people right now to pay for mistakes that took place 30 to 40 years ago.

The way to do is what has been proposed, to be reamortized over a period of 35 years, which I thought was a little heavy, but something needs to be done but done in an orderly manner.

The SPEAKER: The Chair recognizes the Representative from Paris, Representative Birney.

Representative BIRNEY: Mr. Speaker, Distinguished Members of the House: I just want to echo what Representative Jalbert has said. There are major problems in the retirement system that the retirement committee, and we do have a good committee, are addressing. A lot of the problems in the retirement system are literally mistakes and inequities and loopholes. When we start closing those, you are going to see the unfunded liability decrease. We do not need to raise taxes, inequitable taxes, at this time to address this system. I think it will be addressed next year after the Blue Ribbon Commission studies it.

The SPEAKER: The Chair recognizes the Representative from Thomaston, Representative Simoneau.

Representative SIMONEAU: Mr. Speaker, Ladies and Gentlemen of the House: Briefly, in testimony before the Taxation Committee by vending machine companies, it was brought out there are unique situations to running their business and that is why they have this special "tax break." Quickly, one of them is this, if you shift the tax to them at the retail base or retail price, they are stuck with passing on a penny which they can't do in the machine, absorbing the cost themselves of a nickel to the consumer. That is one problem.

Another problem which we found out that was rather unique is that those areas along the Canadian border accept Canadian coins. The Canadian coins have to be separated, taken into the banks, and the discount has to be passed along so that this gives a compound problem if you raise this tax.

I urge you to follow the light of Representative Jalbert.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of the Representative from Topsham, Representative Chonko, that House Amendment "I" (H-689) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 217

YEA - Aikman, Aliberti, Anderson, Ault, Bailey, R.; Barth, Bennett, Birney, Bruno, Cameron, Campbell, Carleton, Caron, Carr, Carroll, Cashman, Chonko, Clukey, Constantine, Cote, Cross, Dexter, DiPietro, Donnelly, Dore, Driscoll, Dutremble, L.; Erwin, Farnum, Farren, Fitzpatrick, Foss, Gamache, Gray, Greenlaw, Gwadnosky, Hale, Hatch, Heino, Hichborn, Hillock, Jacques, Jalbert, Joseph, Joy, Kerr, Ketterer, Kneeland, Kutasi, Larrivee, Lemont, Libby Jack, Libby James, Lindahl, Lipman, Look, Lord, MacBride, Marshall, Martin, H.; Melendy, Michael, Michaud, Murphy, Nash, Nickerson, O'Gara, Ott, Paradis, P.; Pendleton, Pineau, Pinette, Plourde, Plowman, Pouliot, Reed, G.; Reed, W.; Ricker, Robichaud, Rotondi, Ruhlin, Rydell, Simoneau, Skoglund, Spear, Stevens, A.; Strout, Swazey, Tardy, Taylor, Thompson, Tracy, True, Tufts, Vigue, Walker, Whitcomb, Young, Zirkilton, The Speaker.

NAY - Adams, Ahearne, Beam, Bowers, Brennan, Cathcart, Clark, Clement, Cloutier, Coles, Daggett, Faircloth, Farnsworth, Gean, Gould, R. A.; Heeschen, Høglund, Holt, Hussey, Johnson, Kilkelly, Kontos, Lemke, Marsh, Mitchell, E.; Morrison, Norton, Oliver, Pfeiffer, Rand, Richardson, Rowe, Saxl, Simonds, Stevens, K.; Sullivan, Townsend, E.; Townsend, G.; Townsend, L.; Treat, Wentworth, Winn.

ABSENT - Bailey, H.; Chase, Coffman, Mitchell, J.; Nadeau, Pendexter, Poulin, Saint Onge, Small.

Yes, 100; No, 42; Absent, 9; Paired, 0; Excused, 0.

100 having voted in the affirmative and 42 in the negative with 9 being absent, House Amendment "I" (H-689) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Richardson of Portland offered House Amendment "J" (H-690) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "J" (H-690) to Committee Amendment "B" (H-677) was read by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Richardson.

Representative RICHARDSON: Mr. Speaker, Ladies and Gentlemen of the House: Awhile ago I had occasion to be in Columbus, Ohio. Columbus, Ohio has a hotel tax of 15.5 percent. Five percent of that goes into the General Fund of the state, five percent goes into uninsured health costs to residents of the city and welfare costs and five percent goes to pay a convention center. I asked the desk clerk at the hotel in which I was in whether or not to the best of his knowledge anybody had ever inquired as to the tax rate when they called about a hotel room. The desk clerk said the standard procedure was to give the price for the room and say, "plus tax." That was it and the people made their reservation or not.

Maine doesn't have oil, Maine is a relatively poor state but Maine has a few wonderful assets in addition to its wonderful people and that is what brings people to Maine. It is not appropriate, it is simply not right to ask Mainers in a relatively poor state to carry the burden of taxation that we do now if we could alleviate it through a hotel lodging tax, lodging only, less than 28 days of a 10 percent level. The City of New York charges a 19.25 percent tax on its hotel rooms. It makes no sense for New Yorkers to pay 7 percent in Maine and Mainers who can afford to go to pay 19.25 percent in New York. The folks who use hotels by and large are using other pre-tax dollars of discretionary income or out-of-state travelers and the percentage tax is not a major factor. If our hotel lodging tax goes to 10 percent, we will be relieving the burden on Mainers.

The point is this, this amendment would raise \$15.75 million in the biennium. It would relieve Mainers of \$550 million in the retirement amortization problem, the cookie jar of our budget. \$550 million could be taken away from that obligation to Mainers if we could raise the \$15.75 by bringing our lodging tax to the lower end of the average of hotel lodging taxes that essentially nobody is paying, over half a billion dollars.

The SPEAKER: The Chair recognizes the Representative from Auburn, Representative Dore.

Representative DORE: Mr. Speaker, Ladies and Gentlemen of the House: Just briefly, I have no quarrel with the amount of tax that Representative Richardson has referred to. I have traveled extensively and found that in any state with a good deal of tourism like Maine, tourism is taxed rather heavily.

There are a couple of issues that one might want to entertain and among those issues are why are we increasing hotel tax when we have absolutely no entertainment tax yet. That is unlike most states who have heavy tourism but the more important issue is, would you increase this tax and assign it to a purpose such as this? In the budget, they have increased the amount of dollars spent on tourism. If you were to increase this tax, one might think it

more appropriate to assign the increase in this tax to tourism promotion, which people think is going to result in net gains for the economy from additional tourist dollars.

I would love to export taxes and I would love to import tourist dollars but what this is doing is exporting a tax in a way that is unrelated to importing tourist dollars because it does nothing to promote tourism in the state dealing with another matter.

The SPEAKER: The Chair recognizes the Representative from Nobleboro, Representative Spear.

Representative SPEAR: Mr. Speaker, Ladies and Gentlemen of the House: I urge you to oppose this amendment. We are a state that is trying to promote tourism right now and this is sending the wrong message to people that we want to bring into this state. Not only would we be sending the wrong message to bring these people into our state but also the people within this state use lodging a lot, not only on vacations but conventions and many other things. So, you are asking also the people of the State of Maine for more taxes than what we are compromising on right now to try and stay within our \$165 million that we have out there, which is just our 6 cents on the sales tax.

I do not think also that it would be fair to pluck off more money for anything at this time from any one individual or industry out there. It is true probably that our tax system needs to be looked at but at the eleventh hour, this is the wrong place to go and try to correct his.

Ladies and gentlemen, I urge you to vote against the pending motion.

The SPEAKER: The Chair recognizes the Representative from Wells, Representative Carleton.

Representative CARLETON: Mr. Speaker, Ladies and Gentlemen of the House: I won't be long. In addition to the other reasons I have for opposing this amendment, there is a practical reason. I represent a tourist town and typically the people reserve their lodgings in advance. There are a substantial number of them which are reserved at this point. The typical process in that process is for a total amount of fee including the tax to be quoted to the people who rent, they might sign contracts or other documents by which that is formalized. I think if this amendment is passed, it is going to cause some confusion and some difficulty over and above the other difficulties I have with this bill.

I urge you to vote against this amendment.

Representative Chonko of Topsham moved that House Amendment "J" (H-690) to Committee Amendment "B" (H-677) be indefinitely postponed.

Representative Martin of Eagle Lake requested a roll call.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of the Representative Chonko of Topsham moved that House Amendment "J" (H-690) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those

opposed will vote no.

ROLL CALL NO. 218

YEA - Aliberti, Anderson, Ault, Bailey, R.; Barth, Bennett, Birney, Bruno, Cameron, Campbell, Carleton, Caron, Carr, Carroll, Cashman, Chonko, Cloutier, Clukey, Coles, Constantine, Cote, Cross, Daggett, Dexter, DiPietro, Donnelly, Dore, Driscoll, Dutremble, L.; Erwin, Farren, Fitzpatrick, Foss, Gamache, Gould, R. A.; Greenlaw, Gwadosky, Hatch, Heino, Hichborn, Hillock, Hussey, Jalbert, Joseph, Joy, Kerr, Ketterer, Kneeland, Kontos, Kutasi, Larrivee, Lemont, Libby Jack, Libby James, Lindahl, Lipman, Look, Lord, MacBride, Marshall, Martin, H.; Melendy, Michael, Michaud, Mitchell, E.; Murphy, Nash, Nickerson, Norton, O'Gara, Ott, Paradis, P.; Pendleton, Pineau, Pinette, Plourde, Plowman, Pouliot, Reed, G.; Reed, W.; Ricker, Robichaud, Rotondi, Ruhlin, Rydell, Simonds, Simoneau, Skoglund, Small, Spear, Stevens, A.; Strout, Swazey, Taylor, Thompson, Townsend, G.; Tracy, Tufts, Vigue, Walker, Young, Zirkilton, The Speaker.

NAY - Adams, Ahearne, Beam, Bowers, Brennan, Cathcart, Clark, Clement, Faircloth, Farnsworth, Gean, Gray, Heeschen, Hogle, Holt, Johnson, Kilkelly, Lemke, Morrison, Oliver, Pfeiffer, Rand, Richardson, Rowe, Saxl, Stevens, K.; Sullivan, Townsend, E.; Townsend, L.; Treat, True, Wentworth, Winn.

ABSENT - Aikman, Bailey, H.; Chase, Coffman, Farnum, Hale, Jacques, Marsh, Mitchell, J.; Nadeau, Pendexter, Poulin, Saint Onge, Tardy, Whitcomb.

Yes, 103; No, 33; Absent, 15; Paired, 0; Excused, 0.

103 having voted in the affirmative and 33 in the negative with 15 being absent, House Amendment "J" (H-690) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Richardson of Portland offered House Amendment "K" (H-691) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "K" (H-691) to Committee Amendment "B" (H-677) was read by the Clerk.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Richardson.

Representative RICHARDSON: Mr. Speaker, Ladies and Gentlemen of the House: We are in the process of handing a \$3.6 billion dollar problem to future generations and I present the last of tax policy amendments to this body.

This one deals with the investment tax credit. Prospectively the 18 months between January 1, 1994 and June 30, 1995, if the State of Maine were to suspend an investment tax credit that provides \$19.1 million from major corporations, many of which are out-of-state owned and are in the state because of the resources in this state, an investment tax credit that may or may not provide more jobs, may or may not provide modernization that could cost jobs if we were to put a moratorium on that investment tax credit, prospectively and not for six months, mind you, so that there would be adequate opportunities for people to move in the six months that would save \$19.1 million in tax spending. It would save Mainer's \$670 million over the period of the amortization of the retirement system, \$19.1 million in the biennium from an investment tax credit that most businesses in Maine can't qualify for and to save Mainer's \$670

million.

I urge your support of this amendment on fiscal and tax policy.

Representative Chonko of Topsham moved that House Amendment "K" (H-691) to Committee Amendment "B" (H-677) be indefinitely postponed.

The SPEAKER: The Chair recognizes the Representative from Holden, Representative Campbell.

Representative CAMPBELL: Mr. Speaker, Ladies and Gentlemen of the House: This amendment will exclude from investment tax credit eligibility for machinery and equipment places and service between January 1, 1994 and June 30, 1995. As you all know, investment tax credit is a vital incentive for capital investment in job creation for companies considering such investments in Maine.

The amendment sends a very negative economic development message and penalizes businesses that should be encouraged to remain in Maine. We have done very little for economic development in the state so we can't take away that little incentive that we have so I would encourage that we vote to indefinitely postpone.

The SPEAKER: The Chair recognizes the Representative from Auburn, Representative Dore.

Representative DORE: Mr. Speaker, Ladies and Gentlemen of the House: Those of you who have been around for a few years know that I was never a fan of the investment tax credit, it was never my favorite program, I opposed it on the committee, I opposed it on the floor. It became law nonetheless and the problem with suspending it for a year is that we made a promise to people and, based on that promise, they made investments. I can argue comfortably that they probably would have made those investments anyway but I don't think it does the State of Maine much good to have people go out there and say we made x-million dollars worth of investments in equipment based on the investment tax credit in Maine and now it has been suspended and they changed the rules in the middle of the game. In fact, if we have been criticized for anything, it is the changing of the rules in the middle of the game, so I would encourage you to oppose this amendment.

Representative Martin of Eagle Lake requested a roll call.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of the Representative from Topsham, Representative Chonko, that House Amendment "K" (H-691) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 219

YEA - Ahearne, Aliberti, Anderson, Ault, Bailey, R.; Barth, Beam, Bennett, Birney, Brennan, Bruno, Cameron, Campbell, Carleton, Caron, Carr, Carroll, Cashman, Chonko, Clark, Clement, Cloutier, Clukey, Coles, Constantine, Cote, Cross, Dexter, Donnelly, Dore, Driscoll, Dutremble, L.; Erwin, Farnum, Farren,

Fitzpatrick, Foss, Gamache, Gean, Gould, R. A.; Greenlaw, Gwadosky, Hale, Hatch, Heino, Hillock, Hussey, Jalbert, Joseph, Joy, Kerr, Ketterer, Kneeland, Kontos, Kutasi, Larrivee, Lemke, Lemont, Libby Jack, Libby James, Lindahl, Lipman, Look, Lord, MacBride, Marsh, Marshall, Martin, H.; Melendy, Michaud, Mitchell, E.; Morrison, Murphy, Nash, Nickerson, Norton, O'Gara, Ott, Paradis, P.; Pendleton, Pinette, Plourde, Plowman, Pouliot, Reed, G.; Reed, W.; Ricker, Robichaud, Rotondi, Rowe, Ruhlin, Rydell, Saxl, Simonds, Simoneau, Skoglund, Small, Spear, Stevens, A.; Strout, Sullivan, Swazey, Taylor, Thompson, Tracy, Tufts, Vigue, Walker, Whitcomb, Young, Zirnkilton, The Speaker.

NAY - Adams, Bowers, Cathcart, Farnsworth, Gray, Heesch, Holt, Oliver, Pfeiffer, Richardson, Stevens, K.; Townsend, E.; Townsend, G.; Townsend, L.; Treat, Wentworth, Winn.

ABSENT - Aikman, Bailey, H.; Chase, Coffman, Daggett, DiPietro, Faircloth, Hichborn, Hoglund, Jacques, Johnson, Kilkelly, Michael, Mitchell, J.; Nadeau, Pendexter, Pineau, Poulin, Rand, Saint Onge, Tardy, True.

Yes, 112; No, 17; Absent, 22; Paired, 0; Excused, 0.

112 having voted in the affirmative and 17 in the negative with 22 being absent, House Amendment "K" (H-691) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Chonko of Topsham offered House Amendment "M" (H-693) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "M" (H-693) to Committee Amendment "B" (H-677) was read by the Clerk.

The **SPEAKER**: The Chair recognizes the Representative from Topsham, Representative Chonko.

Representative CHONKO: Mr. Speaker, Ladies and Gentlemen of the House: This amendment does the following: it makes technical corrections to the Committee Amendment. It changes the Committee Amendment to reflect the Appropriations Committee's intent on the few issues and adds new provisions deemed necessary to include in the budget bill, for example, the economic sunset of the 6 percent sales tax.

The **SPEAKER**: The Chair recognizes the Representative from Portland, Representative Townsend.

Representative TOWNSEND: Mr. Speaker, I would like to pose a question through the Chair, please.

I am concerned about Page 6 of the technical amendment, which has some pieces about General Assistance. As I read it, you would be liable for the General Assistance paid to your spouse even if you were legally separated? Also for your adult children? Could you just amplify on that for me, please?

The **SPEAKER**: The Representative from Portland, Representative Townsend, has posed a question through the Chair to anyone who may respond if they so desire.

The Chair recognizes the Representative from Brunswick, Representative Rydell.

Representative RYDELL: Mr. Speaker, Ladies and Gentlemen of the House: Currently in law we do not have parents and grandparents responsible for their adult children over the age of 25. With the way that the language that was put into the budget is worded, we would be going back to a previous time when that was the case and we needed to correct that. This language is the language that was worked out and approved by the Maine Municipal Association and given

to us so that we can maintain the current status that we have. I don't think any of us would want our grandparents to be responsible for us if we were in effect in need of General Assistance. This language is clearly to keep exactly what we have on the books now, which would not be the case if we did not make this technical correction.

Subsequently, House Amendment "M" (H-693) to Committee Amendment "B" (H-677) was adopted.

Representative Bowers of Washington offered House Amendment "N" (H-694) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "N" (H-694) to Committee Amendment "B" (H-677) was read by the Clerk.

The **SPEAKER**: The Chair recognizes the Representative from Washington, Representative Bowers.

Representative BOWERS: Mr. Speaker, Ladies and Gentlemen of the House: The thing that bothers me the most about this budget is that we are not going to pay \$102 million that we owe this biennium. We are asking the children and grandchildren to pay over \$3 billion extra to reamortize our debt. To me as an accountant, this is fiscally irresponsible so I have submitted this amendment trying to take care of that.

A good business person pays off loans and bills now to ensure profits for the future so how shall we pay our bills now? I don't do this lightly, we bite the bullet and we tax professional services, including my profession, we repeal the sales tax exemption for vending machine sales and we repeal the investment tax credit. Taxing professional services will not affect poor people disproportionately. We all know that poor people don't use architects all that often, they don't use CPA's all that often — occasionally, they have to use lawyers but I think it is a good investment to not get battered and to pay for your sales tax on your lawyer. We can charge sales tax on the retail value of vending machine goods and eliminate a special interest sales tax exemption.

Businesses purchase machinery and equipment based on their economic reality, not on tax policy. Economic reality means what they expect to have for a market share, to plan modernization, all planned and budgeted for without any regard to tax benefits. When I advise a client and they start talking about tax benefits, I tell them the legislature can make it and they can take it.

We accountants and business people take the investment tax credits with much appreciation, all the way to the bank, but we don't make our policy on it. Right now, the federal tax package calls for an increase in Section 179 expense from \$10,000 to \$25,000 or \$22,500 depending on whether you are looking at the House or Senate package. Both the House and Senate in the federal government are willing to increase this expense deduction.

The federal tax code is now going to provide this exceptional benefit to small businesses and we all know that small businesses are where the jobs are created in this state. There is now no need for the state to provide this incentive.

As we continue to move from a manufacturing economy to a service-based economy, we professionals have to realize that we are going to have to take the burden of collecting sales tax on our services. We can avoid a major tax shift now by voting in favor of this amendment.

The **SPEAKER**: The Chair recognizes the Representative from Thomaston, Representative

Simoneau.

Representative SIMONEAU: Mr. Speaker, Ladies and Gentlemen of the House: I must say that I do agree with my good friend Representative Bowers' philosophy but I don't agree with the way we are trying to do it. For one thing, we have already addressed the investment tax credit here in the House, we have already addressed the vending machines but the taxing of professional services, we are attacking or we are trying to set tax policy at the last minute with sort of a Band-Aid approach.

We had in Taxation a list of professional services that were regressive to people and progressive if we tax them. Representative Bowers is looking at the progressive ones but there are some holes in here. For example, you talk about accounting, auditing and bookkeeping services — does that include H&R Block? You will say that H&R Block — poor people go there, I've got news for you, we have lost clients to H&R Block and they have come back to us because H&R Block costs them more than we did. I don't see the plumber, the electrician — why not put them in there as professional services?

I have two children. My son is plumber and my daughter is a Certified Public Accountant, two years ago, he made more money than she did, so why don't we tax the plumber's services, electrician services?

In Section 179 of that document he is talking about, that's correct, and that will at the federal level. The last time the federal people increased the depreciation adjustment, including the 179, and they went to ACRS, I think it was in 1981, the State of Maine immediately jumped on that and denied those deductions so I would suggest that we vote to not pass House Amendment "N."

The SPEAKER: The Chair recognizes the Representative from Bethel, Representative Barth.

Representative BARTH: Mr. Speaker, Ladies and Gentlemen of the House: First of all, I would like to move the indefinite postponement of House Amendment "N."

The gentlelady from Paris, Representative Birney, put it very well and I just want to remind you that there are fundamental changes that need to be made to the retirement system. To try to just patch it up by taxing and shifting taxes to pay for the liability is not at this time a very wise choice. I think we need to give time to the special commission to look at the retirement system, make suggested changes, etcetera, beyond what will be in this budget. So, I would hope that you vote for the indefinite postponement.

The SPEAKER: The Chair recognizes the Representative from Auburn, Representative Dore.

Representative DORE: Mr. Speaker, Men and Women of the House: I actually disagree with Representative Birney. I am looking forward to the recommendations of the special commission on the Retirement System. But, I must tell you, I am very comfortable with taxing to deal with the unfunded liability of the Retirement System. However, that should happen when we have a Chief Executive who is willing to tax in order to pay for unfunded liability. I believe that we should tax to pay for our bills and that this is a debt that we are accruing and that we should raise revenues to pay for this debt. But, that decision has to be made at the top and then my committee will be happy to meet and come up with a revenue solution to our debt. I do not believe refinancing our debt is appropriate. Clearly that was done by the federal government in

the 1980's with disastrous consequences, absolutely disastrous consequences, and I am not comfortable that Maine is going down this slippery slope right now. But, to begin a new tax where the language has not been worked out for this, the definition of who fits in and who fits out is not clear. This area has never been taxed before in this state. In order to pay for this without the support of the Chief Executive officer of this state would seem like at best a rash move. I think the intentions are noble, I have no problem with taxing professional services. I have no problem with taxing to pay for our debt. I am scared to death that we are doing what the federal government did in the '90's, borrow, borrow, borrow. But, this is not the vehicle, we do not have the support of the Chief Executive, we will not be able to pass this, so I would defer until we have additional support for taxing to pay for the unfunded liability.

The SPEAKER: The Chair recognizes the Representative from Harpswell, Representative Coles.

Representative COLES: Mr. Speaker, Men and Women of the House: I am not going to discuss tax policy, that is not an area of expertise for me. What I am going to discuss is a basic principle underlined in this amendment, the basic idea. This amendment says pay as you go. This amendment says don't borrow \$4 billion from the future in order to save \$100 million this year. What would we be thinking today if the legislature in 1963 did a similar trick? We would be thinking, those idiots, what could they have possibly been doing? This reamortization of the unfunded liability to me is fiscal folly, fiscal insanity, fiscal irresponsibility. It seems to me that the only truly conservative fiscal course of action is for us to pay our debts when they are due, not put them off to the future at a cost of \$4 billion.

The SPEAKER: The Chair recognizes the Representative from Lisbon, Representative Jalbert.

Representative JALBERT: Mr. Speaker, Ladies and Gentlemen of the House: This amendment takes up exactly what we defeated in Representative Richardson's amendment "I" and "J" and adds on professional services. There is only one thing, "professional services" — if that goes through — a barber in my home town that told me he didn't want to see me. If I let my hair grow too long, the beautician won't want me either. I will probably have to wear it down to my waist.

This, I will repeat myself again, this is not the way to do it. As was said, The Blue Ribbon Commission, we are going to study the whole thing and this was the consensus of the people on this committee. Let's study and find out what is wrong with the system. Let's not turn around and say we will tax somebody.

Now, you have someone who hires someone else to come and do child woman's work in the house, they are going to have to pay sales tax on those services, that lady that comes in because you know what happens in Washington when somebody didn't take out the right taxes for doing domestic work. That is what is going to happen. Are we going to be at the point now that when you go have somebody shine your shoes that you have got to pay a sales tax? It is going to be like this. This is not the way to do it and I would ask that you support the motion of the good Representative from Bethel to indefinitely postpone this and let's see what the commission will do.

The SPEAKER: The Chair recognizes the

Representative from Washington, Representative Bowers.

Representative BOWERS: Mr. Speaker, Men and Women of the House: I just want to add a couple of clarifications. This does not tax the barber, the hairdresser, the shoe polisher, the plumber, the electrician or the house cleaner. This taxes professional services. It is spelled out very clearly and succinctly in the amendment.

Furthermore, the way we pay the employers' share of the retirement is through taxation and there is no other way that we do it. We do it through raising taxes. These are taxes that are just going into the General Fund and we are going to pay our share this way. That is the only way we pay the employers' share which is the state's share of the Retirement System. So, this is how we do it, we bite the bullet and we do it the honest way.

Representative Martin of Eagle Lake requested a roll call.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is the motion of Representative Barth of Bethel that House Amendment "N" (H-694) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 220

YEA - Aikman, Aliberti, Anderson, Ault, Bailey, R.; Barth, Bennett, Birney, Brennan, Bruno, Cameron, Campbell, Carleton, Caron, Carr, Carroll, Cashman, Chonko, Clark, Clukey, Constantine, Cross, Dexter, DiPietro, Donnelly, Dore, Dutremble, L.; Erwin, Faircloth, Farnum, Farren, Fitzpatrick, Foss, Gamache, Greenlaw, Gwadosky, Hale, Heino, Hichborn, Hillock, Jacques, Jalbert, Joy, Kerr, Ketterer, Kneeland, Kontos, Kutasi, Larrivee, Lemont, Libby James, Lindahl, Lipman, Look, Lord, Marsh, Marshall, Martin, H.; Melendy, Michael, Michaud, Murphy, Nash, Nickerson, Norton, O'Gara, Ott, Paradis, P.; Pendexter, Pendleton, Pinette, Plourde, Plowman, Pouliot, Reed, G.; Reed, W.; Ricker, Robichaud, Rotondi, Ruhlin, Rydell, Simonds, Simoneau, Skoglund, Small, Spear, Stevens, A.; Strout, Tardy, Taylor, Thompson, True, Tufts, Vigue, Walker, Young, Zirkilton, The Speaker.

NAY - Adams, Ahearne, Beam, Bowers, Cathcart, Clement, Cloutier, Coles, Cote, Daggett, Driscoll, Farnsworth, Gean, Gould, R. A.; Gray, Hatch, Heeschen, Hoglund, Holt, Johnson, Joseph, Kilkelly, Lemke, Mitchell, E.; Morrison, Oliver, Pfeiffer, Rand, Richardson, Rowe, Saxl, Stevens, K.; Sullivan, Swazey, Townsend, E.; Townsend, G.; Townsend, L.; Tracy, Treat, Wentworth, Winn.

ABSENT - Bailey, H.; Chase, Coffman, Hussey, Libby Jack, MacBride, Mitchell, J.; Nadeau, Pineau, Poulin, Saint Onge, Whitcomb.

Yes, 98; No, 41; Absent, 12; Paired, 0; Excused, 0.

98 having voted in the affirmative and 41 in the negative with 12 being absent, House Amendment "N"

(H-694) to Committee Amendment "B" (H-677) was indefinitely postponed.

Representative Farnsworth of Hallowell offered House Amendment "O" (H-696) to Committee Amendment "B" (H-677) and moved its adoption.

House Amendment "O" (H-696) to Committee Amendment "B" (H-677) was read by the Clerk in its entirety.

The SPEAKER: The Chair recognizes the Representative from Hallowell, Representative Farnsworth.

Representative FARNSWORTH: Mr. Speaker, Men and Women of the House: Because of the hour and in appreciation of your undivided attention of this reading and subsequent discussion of this amendment, I have decided not to offer my last amendment so this is it. I would appreciate that we would just have a brief discussion of this because I feel the principle is so important. All this amendment does is to tax professional services and use that money to restore some of the unfunded liability. In that sense, it is simple.

In the sense that we have had discussion about tax policy on this, I would simply say that it doesn't take effect until October of this year so there is some time to deal with some of the problems that have been mentioned.

By the way, it does not include doctors in the definition on purpose because we did not want to increase the cost of health care.

I am a lawyer, as you know, and I do not hesitate to propose taxing lawyers in the same way that Representative Bowers did not hesitate to propose taxing CPA's and accountants.

I am sure there are other groups that we could add into this. I think at some point one has to draw a line and this is the place to start. It is the place to start for a number of reasons and I think the most poignant one is, we are going to go out and tell the people this date that we have really held the line here on spending, we have made enormous cuts, but I simply feel that we are being dishonest and, frankly, irresponsible if we do not acknowledge to them that we have put this state in an additional \$100 million worth of indebtedness if we pass this budget at the cost of \$4 billion in the future.

We have an unfunded liability already, even without this budget of \$3 billion plus dollars. So, the arguments about the fact that there may be a few problems with the retirement system, which frankly I think we are only making worse, they are not so bad right at the moment but the fact is that, even if we did nothing in this budget to retirement, we have a huge unfunded liability. So, the fact that we are going to have a Blue Ribbon Commission to study this next year to me has nothing to do with the fact that we are faced with a policy issue, should we be using a credit card mentality to balance this budget, which is what we are doing. I think that it is time for us to do what I understand was recommended a few years ago by the Monks Report which is to bite the bullet. We owe a lot of money. We owe it, we are supposed to pay it now. It is just not saying we have adequately balanced a budget to borrow it. I would suggest we are hardly biting the bullet here, we are gumming at it. This budget has no teeth when it comes to biting the bullet. I think it is high time that we do bite the bullet and that we do say to the people of this state, we have an obligation, we recognize it, we are not going to try to do all of it. We have just

rejected completely funding the \$100 million of deferred and reamortized costs, but this is \$63 million of it. It should make a big difference in how much we pass onto the future. I think of all the taxes, this is one of the most progressive and I seriously urge you to consider voting for this.

The final comment I would make is, if we pass this \$63 million worth of taxes and we add that to the \$165 million that the sales tax represents, we are still \$26 million below, \$254 million which was the level of taxes that the temporary taxes raised. We are still below the level of taxes that we were dealing with on a temporary tax. I think it is totally irresponsible for us not to do something more than nothing about this \$100 million reamortization. This will be borne by people in general who can pay for these kinds of professional services and this kind of extra charge is not going to either stop them from getting those services or break the bank of any of those kinds of businesses.

I believe also that professional service users as well as providers are very much aware of what the long-term effects of our fiscal policy is going to be.

I urge you to vote for this amendment and against any motion that may be offered to indefinitely postpone.

Representative Chonko of Topsham moved the indefinite postponement of House Amendment "O" (H-696) to Committee Amendment "B" (H-677).

Representative Farnsworth of Hallowell requested a roll call vote.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The Chair recognizes the Representative from Portland, Representative Townsend.

Representative TOWNSEND: Mr. Speaker, Men and Women of the House: I can't resist putting in my two cents on this particular issue. On the eleventh hour argument, I just have to add that I think dipping into the Retirement Fund, which seems to be an irresistible piggy bank to us, is in itself an eleventh hour desperate measure. We must not kid ourselves that we are passing a budget which does not contain a tax increase.

My son, who will be 38 when this bill comes due, will not thank me for saddling him with his share of a \$3.6 billion debt. It is a tax, it is a tax on our kids and I think it is immoral.

The SPEAKER: The Chair recognizes the Representative from Washington, Representative Bowers.

Representative BOWERS: Mr. Speaker, Men and Women of the House: We are talking about reamortizing \$102 million. If this was a bond issue, it would have to go to the people.

The SPEAKER: The Chair recognizes the Representative from South Portland, Representative DiPietro.

Representative DIPIETRO: Mr. Speaker, Ladies and Gentlemen of the House: I know the hour is late and I didn't want to speak at all on this issue but I think I have to. My reason for it is that we have been talking about this in Taxation for the last two weeks, this is nothing new. It is a good way for us

to make some good money. It is a good way for us to find some new programs to spend the money after we get it. My concern here, ladies and gentlemen, is that I don't think that we should be making a tax policy at this hour of the night without any public hearing. There hasn't been any public hearings on this issue.

I did hear the good Representative from Hallowell say that this issue isn't not going to come up until October. If this is what she is concerned about, then I think that she should wait until we get back here in January, have a public hearing, and do it right.

The SPEAKER: The Chair recognizes the Representative from Canaan, Representative Townsend.

Representative TOWNSEND: Mr. Speaker, Ladies and Gentlemen of the House: I support Representative Farnsworth's amendment. I urge you to vote against the indefinite postponement.

I have to offer a quote from Thomas Jefferson. "I place economy among the first and most important virtues and public debt as the greatest of dangers to be feared. To preserve our independence, we must not let our rulers load us with perpetual debt. If we run into such debt, we must be taxed in our meat and drink, in our necessities and in our comfort, in our labor and in our amusements. If we can prevent the government from wasting the labor of the people under the pretense of caring for them, they will be happy."

The SPEAKER: The Chair recognizes the Representative from Glenburn, Representative Winn.

Representative WINN: Mr. Speaker, Men and Women of the House: Earlier, Representatives said that this is not the way we do it. I agree with what he said but not with his intentions. I feel that this is not the way we do it. We know what is wrong and we know that it is up to us to pay this bill and not to burden future generations with our inability to show leadership.

I, too, have two children who will be grandmother's by the time this bill is paid off. I feel very strongly that we owe it to the children and all the people of this state to pay our bills. Frankly, I am very tired of hearing one pitiful excuse after another regarding this so-called budget. For two years now, we have known that the situation was coming and yet we have chosen to blame it on a Governor or past legislators that were here 20 or 30 years ago and to say that therefore it is not our fault and that we do not have the time to correct the situation, I think it is time for us to finally show some leadership and for us to do the honorable thing and to pay our bills.

The SPEAKER: The pending question before the House is the motion of Representative Chonko of Topsham that House Amendment "O" (H-696) to Committee Amendment "B" (H-677) be indefinitely postponed. Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 221

YEA - Aikman, Ault, Bailey, R.; Barth, Bennett, Birney, Bruno, Cameron, Campbell, Carleton, Caron, Carr, Carroll, Cashman, Chonko, Cloutier, Clukey, Cross, Dexter, DiPietro, Donnelly, Dore, Dutremble, L.; Erwin, Farnum, Farren, Foss, Gamache, Greenlaw, Gwadosky, Hale, Heino, Hichborn, Hillock, Jacques, Jalbert, Joseph, Joy, Kerr, Kontos, Kutasi, Larrivee, Lemont, Libby James, Lindahl, Lipman, Look, Lord,

MacBride, Marsh, Marshall, Martin, H.; Melendy, Michael, Michaud, Murphy, Nash, Nickerson, Norton, O'Gara, Ott, Paradis, P.; Pendexter, Pendleton, Pineau, Pinette, Plourde, Plowman, Pouliot, Reed, G.; Reed, W.; Ricker, Robichaud, Rotondi, Ruhlin, Rydell, Simonds, Simoneau, Skoglund, Small, Spear, Stevens, A.; Strout, Taylor, Thompson, Tufts, Vigue, Walker, Young, Zirnkilton, The Speaker.

NAY - Adams, Ahearne, Aliberti, Beam, Bowers, Brennan, Cathcart, Clark, Clement, Coles, Constantine, Cote, Daggett, Driscoll, Faircloth, Farnsworth, Fitzpatrick, Gean, Gray, Hatch, Heeschen, Hogle, Holt, Hussey, Johnson, Ketterer, Kilkelly, Lemke, Mitchell, E.; Morrison, Oliver, Pfeiffer, Rand, Richardson, Rowe, Saxl, Stevens, K.; Sullivan, Swazey, Townsend, E.; Townsend, G.; Townsend, L.; Tracy, Treat, True, Wentworth, Winn.

ABSENT - Anderson, Bailey, H.; Chase, Coffman, Gould, R. A.; Kneeland, Libby Jack, Mitchell, J.; Nadeau, Poulin, Saint Onge, Tardy, Whitcomb.

Yes, 91; No, 47; Absent, 13; Paired, 0; Excused, 0.

91 having voted in the affirmative and 47 in the negative with 13 being absent, House Amendment "O" (H-696) to Committee Amendment "B" (H-677) was indefinitely postponed.

Subsequently, Committee Amendment "B" (H-677) as amended by House Amendments "D" (H-683) and "M" (H-693) thereto was adopted.

Under suspension of the rules, the bill was read a second time.

Representative Zirnkilton requested a roll call vote on passage to be engrossed.

The SPEAKER: A roll call has been requested. For the Chair to order a roll call, it must have the expressed desire of more than one-fifth of the members present and voting. Those in favor will vote yes; those opposed will vote no.

A vote of the House was taken and more than one-fifth of the members present and voting having expressed a desire for a roll call, a roll call was ordered.

The SPEAKER: The pending question before the House is passage to be engrossed as amended by Committee Amendment "B" (H-677) as amended by House Amendments "D" (H-683) and "M" (H-693). Those in favor will vote yes; those opposed will vote no.

ROLL CALL NO. 222

YEA - Aliberti, Beam, Brennan, Bruno, Cameron, Campbell, Carleton, Caron, Carr, Carroll, Cashman, Cathcart, Chonko, Cloutier, Constantine, Cote, Cross, Daggett, DiPietro, Donnelly, Dore, Driscoll, Dutremble, L.; Erwin, Faircloth, Farnum, Fitzpatrick, Gamache, Gean, Gwadosky, Hale, Heino, Hichborn, Hogle, Jacques, Jalbert, Johnson, Joseph, Joy, Kerr, Ketterer, Kontos, Larrivee, Lipman, Marsh, Melendy, Michaud, Mitchell, E.; Morrison, Murphy, Norton, O'Gara, Oliver, Paradis, P.; Pfeiffer, Pineau, Pinette, Plourde, Pouliot, Reed, W.; Ricker, Rowe, Rydell, Saxl, Simonds, Skoglund, Spear, Stevens, K.; Strout, Swazey, Tardy, Townsend, G.; True, Tufts, Vigue, Walker, Wentworth, Young, The Speaker.

NAY - Adams, Ahearne, Aikman, Ault, Bailey, R.; Barth, Bennett, Birney, Bowers, Clark, Clement, Clukey, Coles, Dexter, Farnsworth, Farren, Foss, Gould, R. A.; Gray, Greenlaw, Hatch, Heeschen, Hillock, Holt, Hussey, Kilkelly, Kutasi, Lemke,

Lemont, Libby James, Lindahl, Look, Lord, MacBride, Marshall, Martin, H.; Michael, Nash, Nickerson, Ott, Pendexter, Pendleton, Plowman, Rand, Reed, G.; Richardson, Robichaud, Rotondi, Ruhlin, Simoneau, Small, Stevens, A.; Sullivan, Taylor, Thompson, Townsend, E.; Townsend, L.; Tracy, Treat, Whitcomb, Winn, Zirnkilton.

ABSENT - Anderson, Bailey, H.; Chase, Coffman, Kneeland, Libby Jack, Mitchell, J.; Nadeau, Poulin, Saint Onge.

Yes, 79; No, 62; Absent, 10; Paired, 0; Excused, 0.

79 having voted in the affirmative and 62 in the negative with 10 absent, L.D. 283 was passed to be engrossed as amended by Committee Amendment "B" (H-677) as amended by House Amendments "D" (H-683) and "M" (H-693) thereto and sent up for concurrence.

By unanimous consent, was ordered sent forthwith to the Senate.

The following item appearing on Supplement No. 9 was taken up out of order by unanimous consent:

SENATE PAPER

Non-Concurrent Matter

Bill "An Act Making Unified Appropriations and Allocations for the Expenditures of State Government, General Fund and Other Funds, and Changing Certain Provisions of the Law Necessary to the Proper Operations of State Government for the Fiscal Years Ending June 30, 1994 and June 30, 1995" (EMERGENCY) (H.P. 215) (L.D. 283) (Governor's Bill) which was passed to be engrossed as amended by Committee Amendment "B" (H-677) as amended by House Amendments "D" (H-683) and "M" (H-693) thereto in the House on June 29, 1993.

Came from the Senate passed to be engrossed by Committee Amendment "B" (H-677) as amended by House Amendment "M" (H-693) thereto in non-concurrence.

The SPEAKER: The Chair recognizes the Representative from Lewiston, Representative Aliberti.

Representative ALIBERTI: Mr. Speaker, Men and Women of the House: What started out as a day of glory, had its many moments of glory, but also realistically it just doesn't seem possible that so much could have happened in the space of six hours. I waited nine years to put my name on a credible track, I did it today, so I thought.

My concern is the 111 commitments that were made by this body. I hope you will understand what I am doing and why I am doing it.

I spoke with the gracious President of the other body, I spoke with the Speaker of this body and I realized that there is a great deal more responsibility in designing and presenting legislation, especially legislation that is so vitally important as what I introduced to this body and the support that I received in this body, the 111 commitments. I realize now, should this amendment be insisted upon by this body, it will create immense problems. I was not aware that these problems existed.

Please bear with me another two or three